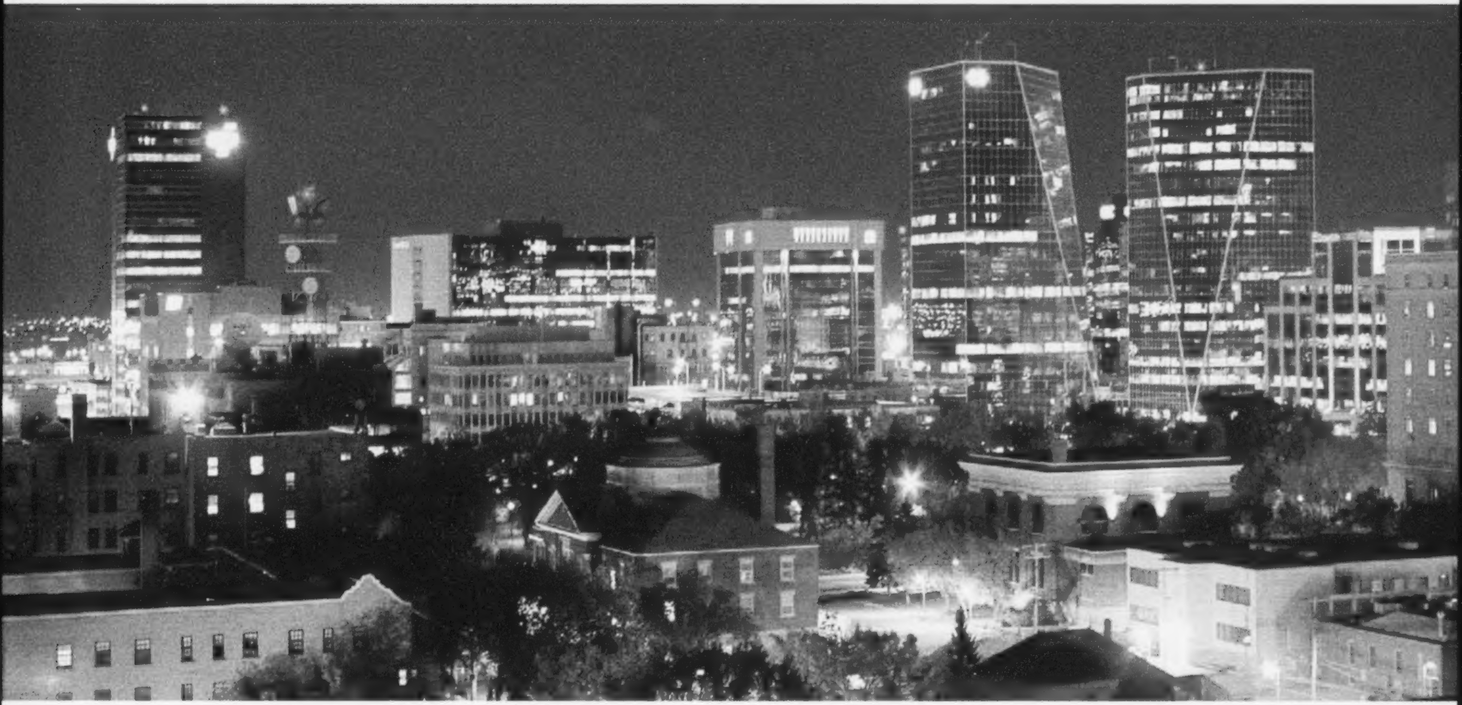
2012

CITY OF REGINA

GENERAL OPERATING BUDGET

AS APPROVED BY CITY COUNCIL



City of Regina | REGINA

Infinite Horizons

Table of Contents

Letter of Transmittal

Introduction 1

General Operating Revenues

Operating Revenue Summary 27
Taxation 32
Government Grants and Transfers 37
Licenses, Levies and Fines 40
Fees and Charges 44
Other Revenues 57

General Operating Expenditures

Operating Expenditure Summary 63
City Council and Committees 69
Community Investments 71
Capital Funding 72
Office of the City Manager 73
City Operations Division 82
Corporate Services Division 101
Community Planning & Development Division 114
Costing Fund Budget Summary 129

REGINA
Infinite Horizons
City of Regina

November 21, 2011

To: His Worship the Mayor,
and Members of City Council

Re: 2012 General Operating Budget and Other Funds Budget

Pursuant to Sections 128 of *The Cities Act*, City Council is required to adopt an operating and capital budget. The budgets summarized in this document are the proposed 2012 General Operating Budget and the 2012 Costing Fund Budget. The General Operating Budget for 2012 includes a 3.9% municipal mill rate increase. The 2012 General Operating Budget totals $312.6 million in expenditures, an increase of $25.5 million or 8.9% over 2011.

The 2012 General Operating Budget reflects City Council's Vision:

Canada's most vibrant, inclusive, attractive, sustainable community, where people live in harmony and thrive in opportunity.

This vision provided the starting point for the development of the Corporate Strategic Plan – *Accelerating Excellence*, with four Strategic Priorities to guide our budget process.

The Strategic Priorities established in *Accelerating Excellence* include:

- Managing Growth and Community Development;
- Strengthening City Infrastructure and Managing Assets;
- Achieving Operational Excellence; and
- Ensuring Organizational Capacity and Effectiveness.

The budget provides City Council an opportunity to prioritize and invest in those areas that it feels will best address the needs of the community. The City of Regina continues to grow and diversify, and this budget is intended to work toward supporting these changing needs. Guided by the City's Vision, but also respecting the need to minimize the burden on tax payers, the primary areas of investment in 2012 are as follows:

- Maintaining our commitment to service to the community
- Managing and servicing the unprecedented growth the City has seen in the last five years
- Tackling the challenges of an aging infrastructure

Office of the City Manager
Queen Elizabeth II Court | 2476 Victoria Avenue
PO Box 1790 | REGINA SK S4P 3C8
P: (306) 777-7314 | F: (306) 949-7210
Regina.ca

The process of more rigorous strategic and business planning at the City of Regina has been transformational. We have become more thorough in our analysis and more focused in our choices so that we can ensure that citizens continue to see their community move towards the Vision while Regina remains an affordable place to live.

In the final year of the City's strategic plan *Accelerating Excellence,* focus has intensified on the sustainability of City programs and infrastructure in the face of increasing demands and uncertain funding. The City continues to be challenged to maintain existing services and infrastructure while also making new investments to meet the demands of a growing population and economy. In 2012 the City of Regina will begin to narrow the gap between the service level expectations of customers and the ability of the City to deliver. As a result the City will be better prepared to act on the outcomes of both the Design Regina community consultations and priorities identified in the next strategic plan.

In the meantime, the focus of this budget has been to **maintain existing services**, including the **expansion of those services to new areas of Regina**, to begin to tackle the issue of our **aging infrastructure**, and to **minimize the burden on our tax-payers**. This approach is reflected in the 2012 general operating budget through:

- Support to cover unavoidable cost increases across the organization.
- Continuation of the Street Infrastructure Renewal Program, improved lights and traffic controls, bridge rehabilitation and water, sewer and drainage projects.
- Investment to address the growth of the community, including new streets and roads, improvements to our waste system and continued community investment funding.
- Resources to expand Regina's transit service to new areas of the city and to better manage our transit assets.
- Providing value for tax dollars, including maintaining competitive tax rates and maintaining a strong credit rating.
- Resources to become the best run municipality including investment to recruit and retain talent, renew operational assets, and support public accountability.

The increase also includes estimated additional costs for wages and benefits totaling $4.3 million. The City is facing the same impacts as other employers from the shortage of labour resulting from demographic trends and the economic growth in Western Canada. These pressures are reflected in the higher labour costs seen in other public sector organizations as well as across the labour market in general.

This budget was developed with $36.6 million in funding from the Municipal Operating Grant Program (MOG). This funding will continue to be invested toward supporting the delivery of community programs and services, while addressing the increased costs of community growth.

Many of the City's revenues and expenditures are subject to change due to external influences. Many factors impact revenues and/or expenditures including the weather, the cost of fuel, interest rates, gas rates and electrical rates. There could be positive or negative variances in 2012 due to these factors.

To continue to deliver programs and services in support of Regina's growth, while making progress on our vision, the City of Regina is recommending a 3.9% increase in the mill rate in 2012. The budget reflects a balanced approach to addressing the strategic priorities and an effort to strengthen the City's reserves for future needs.

Respectfully submitted,

GDavies

Glen B. Davies
City Manager

Introduction

Introduction

Budget Overview

The 2012 General Operating Budget recommends a 3.9% mill rate increase while maintaining our existing infrastructure and increasing services provided by the City. The 2012 General Operating Budget totals $312.6 million in expenditures, an increase of $25.5 million or 8.9% over 2011.

The budget provides City Council an opportunity to prioritize and invest in those areas that it feels will best address the needs of the community. The City of Regina continues to grow and diversify, and this budget is intended to work toward supporting these changing needs. Guided by the City's Vision, but also respecting the need to minimize the burden on tax payers, the primary areas of investment in 2012 are as follows:

- Maintaining our commitment to service to the community
- Managing and servicing the unprecedented growth the City has seen in the last five years
- Tackling the challenges of an aging infrastructure

In the final year of the City's strategic plan *Accelerating Excellence,* focus has intensified on the sustainability of City programs and infrastructure in the face of increasing demands and uncertain funding. The City continues to be challenged to maintain existing services and infrastructure while also making new investments to meet the demands of a growing population and economy. In 2012 the City of Regina will begin to narrow the gap between the service level expectations of customers and the ability of the City to deliver. As a result the City will be better prepared to act on the outcomes of both the Design Regina community consultations and priorities identified in the next strategic plan.

In the meantime, the focus of this budget has been to **maintain existing services**, including the **expansion of those services to new areas of Regina**, to begin to tackle the issue of our **aging infrastructure**, and to **minimize the burden on our tax-payers**. This approach is reflected in the 2012 general operating budget through:

- Support to cover unavoidable cost increases across the organization.

- Continuation of the Street Infrastructure Renewal Program, improved lights and traffic controls, bridge rehabilitation and water, sewer and drainage projects

- Investment to address the growth of the community, including new streets and roads, improvements to our waste system, continued community investment funding, and new investment in the Downtown City Square project

- Resources to expand Regina's transit service to new areas of the city and to better manage our transit assets

- Providing value for tax dollars, including maintaining competitive tax rates and maintaining a strong credit rating

- Resources to become the best run municipality including investment to recruit and retain talent, renew operational assets, and support public accountability.

The increase also includes estimated additional costs for wages and benefits totaling $4.3 million. The City is facing the same impacts as other employers from the shortage of labour resulting from demographic trends and the economic growth in Western Canada. These pressures are reflected in the higher labour costs seen in other public sector organizations as well as across the labour market in general.

This budget was developed assuming $36.6 million in funding from the Municipal Operating Grant Program (MOG). This represents an increase in the contribution of $4.4 million.

The 2012 budget for the Board of Police Commissioners is $65.7 million, an increase of $2.9 million or 4.7% over the 2011 budget. The capital contribution required for the Board of Police Commissioners for 2012 is $1,120,400.

Many of the City's revenues and expenditures are subject to change due to external influences. Many factors impact revenues and/or expenditures including the weather, the cost of fuel, interest rates, gas rates and electrical rates. There could be positive or negative variances in 2012 due to these factors.

To continue to deliver programs and services in support of Regina's growth, while making progress on our vision, the City of Regina is recommending a 3.9% increase in the mill rate in 2012. The budget reflects a balanced approach to addressing the strategic priorities.

	2008	**2009**	**2010**	**2011**	**Proposed 2012**	**5 Year Average**
Calgary	4.50%	5.30%	4.79%	4.60%	6.00%	5.04%
Edmonton	7.50%	7.30%	5.00%	5.00%	5.20%	6.00%
Red Deer	8.66%	7.05%	3.31%	3.98%	4.32%	5.46%
Saskatoon	5.44%	3.41%	3.86%	3.99%	4.00%	4.14%
Regina	2.84%	0.00%	4.00%	4.00%	3.90%	2.95%

2012 Budget Process

The budget process always involves difficult choices. A key aspect of the budget process is that City Council is making choices on behalf of the community. With the limited resources available, it is important that each year's budget process involves the establishment of priorities. Many Canadian cities, Regina among them, have developed multi-year strategic plans to help guide the resource allocation process. Building on the strength of work carried out over the past few years, the 2012 budget was developed based on priorities established through City Council's Vision for Regina, the Corporate Strategic Plan *Accelerating Excellence* and an assessment of future issues and opportunities faced by the organization.

The approach to developing the 2012 Budget focused on first on containing ongoing costs to the Municipal Price Index (MPI). The MPI, based on a "basket of goods" relevant to municipalities, is now being measured across Canada. For Regina, in 2011, the MPI was 3.4%, more than 50% higher than the Consumer Price Index of 2.2%.

Divisions identified where increased funding was required for ongoing programs and services due to cost escalations beyond their control, and a limited number of new or one-time initiatives. These were stringently evaluated based on need and connection to the long-term objectives of the City.

The Planning Context for the 2012 Budget

The City of Regina's Vision continues to be the basis for planning:

Canada's most vibrant, inclusive, attractive, sustainable community, where people live in harmony and thrive in opportunity.

Background

In 2007, the Executive Leadership Team approved our first, five-year corporate strategic plan: *Accelerating Excellence, 2008-2012*. This plan includes four strategic themes: Achieving Operational Excellence; Strengthening City Infrastructure and Managing Assets; Managing Growth and Community Development; and Ensuring Organizational Capacity and Effectiveness.

Since that time, we have used this strategic plan as the basis for ongoing business and operational planning across the organization. We have also monitored our performance against this plan.

In the final year of *Accelerating Excellence* it is more clear than ever the positive impact that strategic and business planning has had on the City of Regina. We have become more rigorous in our analysis and more focused in our choices so that we can ensure that citizens continue to see their community move towards the Vision while remaining an affordable place to live.

As the City has ventured down the path of more rigorous planning and performance monitoring, we have learned much more about where our strengths are and where our challenges lie. This information has allowed us to adapt the plan as we go along, ensuring that we focus our efforts on the most important things. In 2012, the final year of the plan, the City will focus on narrowing the gap between citizens' service level expectations and our ability to deliver, in order to better meet the challenges and opportunities presented by our next strategic plan.

But this process has also increased our understanding about some of the challenges that we will be facing in the future. As the city grows, these challenges are becoming more pressing and immediate. Both population growth and the growth of industry in the city create a need to develop additional infrastructure and services for new areas, while continuing to maintain and even enhance services in existing areas. We now understand that meeting these two agendas is likely to result in increasing financial pressure for the City and ultimately our citizens. While we are not yet fully aware the size, scope and timing of this impending financial crunch, we anticipate that it will require careful maneuvering by the City of Regina to ensure that we can successfully meet the challenge.

Over the next few years, we will be working diligently both behind the scenes and in consultation with citizens to grapple with these challenges. The results of community consultations through the Design Regina process will begin to inform planning and decision making in 2012. We will also be continuing to examine and prioritize our programs and services and explore options for cost-effective, sustainable delivery of those services that are critical to achieving our Vision and meeting the needs of Regina citizens.

Budget Development

The basis of planning at the City of Regina is the four strategic themes from *Accelerating Excellence*. These themes represent how the City thinks about its business:

- *Strengthening City Infrastructure and Managing Assets*: This strategic theme is related to strengthening our City infrastructure systems and managing our tangible capital and financial assets. It ensures that our City is strong, well-maintained, and financially sustainable.

- *Ensuring Organizational Capacity and Effectiveness*: This strategic theme ensures we have the right people and processes in place, that we are as effective and efficient as possible, and that we are continuously improving. It includes the City's effort to better plan and forecast its business so that we can anticipate and effectively address challenges.

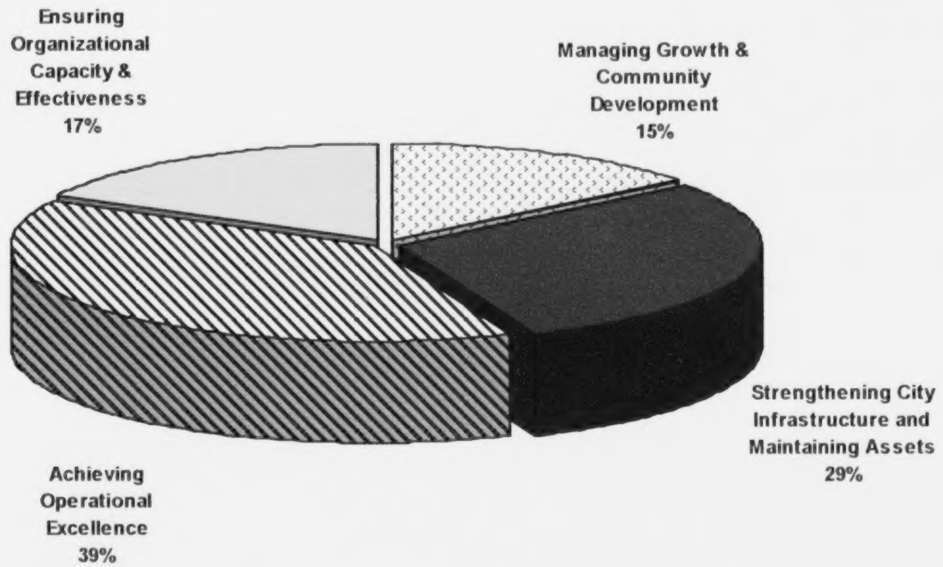
- *Managing Growth and Community Development*: This strategic theme ensures we anticipate and prepare for our City's growth and are responsive to the needs of our community. It includes the development of new infrastructure to support development and planning and designing a vibrant and liveable city.

- *Achieving Operational Excellence:* This Strategic theme focuses on providing excellent customer service to our community through the delivery of quality programs and services.

These priorities informed divisional and departmental business plans, which reflect the operational response to the corporate strategic plan. The budget process is the last step of the planning process – the step by which resources are allocated to various programs, services, activities and initiatives.

Historically, the majority of resources have been allocated to the two themes that represent the core of the City's relationship with its citizens – Strengthening City Infrastructure and Managing Assets and Achieving Operational Excellence (infrastructure and programs and services). The two categories have typically seen more than 70% of the City's operational budget allocated to them and this continues to be the case for 2012.

General Operating Budget Percentage of Expenditures by Strategic Priority – 2012



2012 General Operating Expenditures

The 2012 budget development process was driven by the following priorities:

1. Maintaining our commitment to service to residents
2. Implementing major initiatives identified as priorities
3. Ensuring we continue to improve how we operate

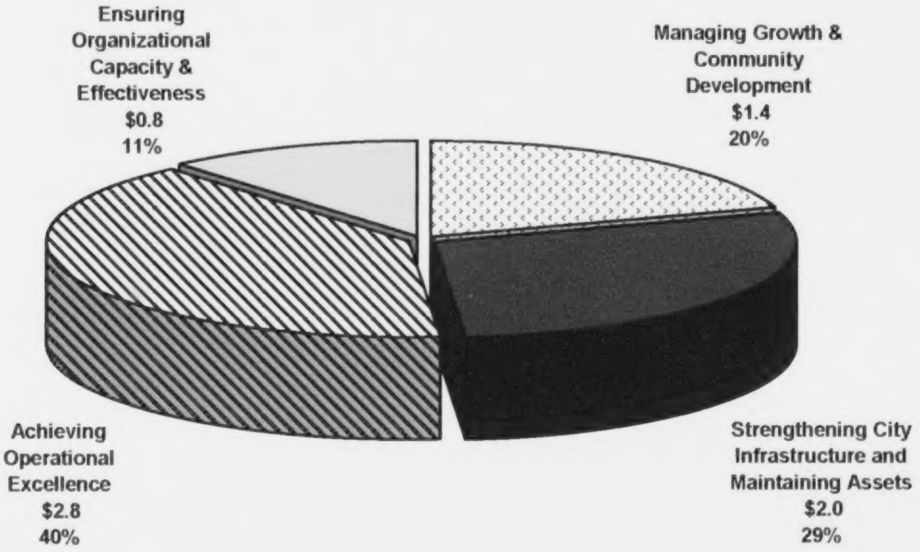
As the City of Regina considered this year's budget allocations, it became clear that there were considerable pressures caused by the record growth we have seen in the last three years. We have more kilometres of roads to keep clean in the winter, more households where garbage service needs to be provided, and more people to serve on a daily basis. We needed to make budget decisions to address these pressures while minimizing the burden on taxpayers.

The figure below shows how the new resources included as part of this year's budget have been allocated. The largest portion of the resources (about 46%) are allocated to the programs and services delivered to citizens. These are largely driven by cost increases. The next largest allocation is in the Managing Growth theme. The vast majority of these costs are associated with the increase in the number of households and the geographic area of the City. The City has also proposed some incremental spending to ensure that, as an organization and employer, it can continue to operate efficiently and effectively.

The net result of investments in these areas, combined with the desire to minimize the impact on property taxes, is that a proportion of the incremental resources are being spent on infrastructure maintenance. As the City's infrastructure ages, limiting maintenance efforts could result in more cost over the longer term – replacement as opposed to repair, larger more complex repairs, etc. This inevitably leads to increased cost in capital infrastructure rehabilitation. The choice to invest in growth and other cost increases at the expense of infrastructure maintenance is not sustainable over the longer term and the City will have to grapple with this issue in the coming years.

New General Operating Expenditures by Strategic Priority – 2012

(millions of dollars)



The following sections provide more detail about the factors driving the strategic priorities and how the requests for additional or one-time funding are linked to those priorities:

Managing Growth & Community Development

This Strategic Priority ensures we anticipate and prepare for our City's growth and are responsive to the needs of our community. Experience in Western Canada has shown the importance of properly managing growth. It is vitally important that growth be managed proactively, and that citizens who may be unable to fully participate in the positive economic climate are not forgotten. Anticipating and preparing for Regina's growth and being responsive to the needs of our community helps the City remain vibrant and sustainable.

Prior to 2007, for many years, the City had been operating in an environment where growth in terms of residential and commercial development was relatively slow. The current conditions require some shifts in the way services are delivered, and in the way resources are allocated.

For the value of building permits issued, 2011 will be higher than 2010, and establish a new record year for building construction values.

Saskatchewan continues to lead the rest of Canada in most economic indicators. The province's real GDP in 2011 is projected to increase from 1.4% in 2010 to 3.9% in 2011, significantly higher than the Canadian projected average of 2.0% (*Conference Board of Canada)*. Regina's economy grew by 3.5% in 2010 and is projected to hold relatively steady in 2011, with a 3.1% growth rate, ranking the city third among Canada's thirteen largest metropolitan areas. Net migration to Saskatchewan continues to be positive and more people are calling Regina home. The population of the city grew by 2.3% in 2010 and is expected to grow by 2.2% again in 2011. Employment levels are strong, with one of the lowest unemployment rates in Canada (4.6%). Retail sales are projected to increase in 2011 by 4.9%. Despite the economic strength, the Consumer Price Index in the city increased only by 2.2%, well within a manageable target range. However, even though inflation is at an acceptable level, the actual cost of living in Regina is 2% above the Canadian average. Affordability may develop into an issue that affects the city's competitiveness in the future.

The 2012 General Operating Budget includes additional funding for the following items on an ongoing basis, related to Managing Growth and Community Development:

			2012 Full Time Equivalent Positions	
	Description	**2012 Cost**	**Permanent**	**Casual**
1.	New Open Space due to growth	215,400	-	2.6
2.	Landscape Design Technologist[1]	64,400	1.0	-
3.	Taxi Study - Additional FTEs[3]	60,000	2.0	-
4.	Solid Waste Collection - Population Growth	47,500	-	0.3
5.	Street Maintenance due to growth of the network by 10km	16,000	-	-
6.	Prince of Wales Library (Utilities)[4]	4,500	-	-
7.	SWC Position Change Growth[2]	-	-	-
		407,800	3.0	2.9

Note

1. Landscape Design Technologist – This cost has been fully offset by SAF
2. SWC Position Change Growth – The annual cost of this initiative is $36,700. This cost has been fully offset by realocating funding from within the existing budget.
3. Taxi Study – Additional FTEs – This cost has been fully offset by reallocating funding from within the existing budget and through an increase in taxi licensing revenues.
4. Prince of Wales Library (Utilities) - This cost has been fully offset by an increase in revenue.

The 2012 General Operating Budget includes the following funding on a one-time basis related to Managing Growth and Community Development:

	Description	2012 Cost	2012 Full Time Equivalent Positions Casual
1.	Revitalize Regina Initiative	743,600	-
2.	2013 Juno Awards	175,000	-
3.	Parking Study	75,000	-
4.	Urban Aboriginal Leadership Program	35,000	-
5.	Accessibility & Youth Forums	10,000	-
6.	Commemorating the 1912 Tornado	7,000	-
7.	Crime Prevention Week	2,000	-
		1,047,600	-

Strengthening City Infrastructure & Managing Assets

This Strategic Priority is related to strengthening our City infrastructure systems and managing other tangible and financial assets. It ensures that our city is strong and financially sustainable.

The existing municipal infrastructure is aging and investment has not kept pace in maintaining optimal infrastructure condition levels and ensuring that lifetime investments required are minimized. The City's total infrastructure has a replacement value in the order of $10 billion and an additional $2.1 billion of additional infrastructure is required over the next ten years.

The City faces challenges in maintaining the wide assortment of infrastructure used to deliver City services. In Regina, there are over $10 billion worth of public and city operational buildings, streets, roads and sidewalks, traffic signals and signs, vehicles and equipment, parks and open space, trees and athletic fields. Over time, all of this infrastructure will require replacement but in the next ten years, $2.1 billion of new infrastructure is required. Within the current financial model, the City cannot afford to maintain and renew all of these assets, relying exclusively on property taxes as a revenue source. Indeed, even maintenance of infrastructure gets caught in the balance of continuing to provide services to more households and citizens while trying to maintain an acceptable tax burden.
When additional federal and provincial infrastructure funding is provided, it is critical that those funds be used in a manner that provides value for years to come. The City's strategy for ensuring this occurs includes:

- Implementing effective asset management techniques such as lifecycle costing and preventative maintenance programs.
- Exploring community partnerships – with both public and private organizations – to provide the infrastructure to support the services Regina's citizens require.
- Promoting rationalization of facilities and infrastructure, which could include multi-use or consolidated facilities.

The 2012 General Operating Budget includes additional funding for the following items on an ongoing basis related to Strengthening City Infrastructure and Managing Assets:

	Description	2012 Cost	2012 Full Time Equivalent Positions Permanent	2012 Full Time Equivalent Positions Casual
1.	Fleet Services - Transit Fleet Depreciation	936,900	-	-
2.	Increased Cost of Local Street Maintenance	100,000	-	-
3.	Wascana Centre Authority	67,000	-	-
4.	Parking Lots Initiative[1]	44,000	-	-
5.	New #4 Fire Station Maintenance	29,000	0.2	-
6.	Chlorine	17,600	-	-
7.	Douglas Park	12,000	0.1	-
8.	Transit janitorial	10,000	-	-
		1,216,500	0.3	-

Note:

1. Parking Lots Initiative - This cost has been fully offset by parking fees collected from employees.

The 2012 General Operating Budget includes the following funding on a one-time basis related to Strengthening City Infrastructure and Managing Assets:

	Description	2012 Cost	2012 Full Time Equivalent Positions Casual
1.	Wascana Centre Authority	750,000	-
		750,000	-

Achieving Operational Excellence

This Strategic Priority focuses on providing excellent customer service to our community.

The City operations are comprised of many different areas of specialization, including planning and development, engineering, protection of people and property such as fire services, transportation, recreation, enforcement and safety, administration, legal services, and communication.

The citizens of Regina should expect to receive a high quality of service from their City. This strategic priority reflects the need for all areas of the City to be able to deliver high quality services in a professional and integrated manner. Our goal is to deliver excellent customer service through efficient, customer focused processes and increased customer awareness and involvement.
The majority of increases in this area in 2012 are related to increased cost to the City or increased usage by citizens.

Key to the effort to improve service, in early 2012, the City Administration will be adopting a new Public Engagement Framework that was piloted in 2009. By systematizing public engagement by the City of Regina, citizens and customers can be assured that their input will be sought and will be informed of how that input will influence any decisions to be made about kinds and levels of service.

The 2012 General Operating Budget includes the following items on an ongoing basis, related to Achieving Operational Excellence:

			2012 Full Time Equivalent Positions	
	Description	**2012 Cost**	**Permanent**	**Casual**
1.	Snow Removal	400,000	-	-
2.	Mosquito Control Program	200,000	-	2.6
3.	Transit Service to Residential Harbour Landing [1]	99,500	1.0	-
4.	Parking Enforcement - additional Operating Costs	90,000	-	-
5	Conversion of 3.24 Casual FTE's to 2.0 Permanent FTE's [2]	-	-	(1.2)
6	Container Maintenance Reduction [3]	(40,000)	-	-
		749,500	1.0	1.4

Note:

1. *Transit Service to Residential Harbour Landing - A portion of this cost has been offset by an increase of $30,000 in transit pass sales revenue.*
2. *Conversion of 3.24 Casual FTE's to 2.0 Permanent FTE's - The annual cost of these positions is $112,000. This cost has been fully offset by reallocating fudning from within the existing budget.*
3. *Container Maintenance Reduction- With the conversion of alley containers, there is no longer a requirement for a maintenance budget.*

The 2012 budget includes the following one-time funding requests related to Achieving Operational Excellence:

			2012 Full Time Equivalent Positions
	Description	**2012 Cost**	**Casual**
1.	Evraz Arenta Agreement [1]	1,320,000	-
2.	Waste Plan Regina Communication	200,000	-
3.	Reassessment Communications	140,000	-
4.	Mosquito Control Program	100,000	-
5.	Rambler Park Operation [2]	99,000	0.2
6.	Transit Service on Winter Stat Holidays	78,600	-
7.	Reassessment 2012 Budget Request	78,000	3.0
		2,015,600	3.2

Note:

1. *Evraz Arena Agreement - The majority of this cost has been offset by an increase in ice rental revenue in the amount of $1,020,000*
2. *Rambler Park Operation - A portion of this cost has been offset by an increase in field rental revenue in the amount of $49,000*

Ensuring Organizational Capacity & Effectiveness

This Strategic Priority ensures we have the right people and processes in place, that we are as effective and efficient as possible, and that we are continuously improving.

Labour market pressures have affected the City's ability to recruit a full staff complement, creating pressure on existing staff. The effort to establish strategic priorities will ensure that administration is focusing their efforts on the most important things. We have also identified areas where increased capacity will improve operations and effectiveness across the City.

The 2012 General Operating Budget includes additional funding on an ongoing basis related to Ensuring Organizational Capacity and Effectiveness, including:

			2012 Full Time Equivalent Positions	
	Description	**2012 Cost**	**Permanent**	**Casual**
1.	HR Safety Consultant	108,000	1.0	-
2.	Parking Enforcement Coordinator [1]	72,600	1.0	-
3.	Increase Volume of Records Stored Offsite	25,000	-	-
4.	Horticulture Technician [2]	-	-	-
5.	Business & Performance Support Strategist Position [3]	-	-	-
6.	Salary Change Administration [4]	(3,500)	-	-
		202,100	2.0	-

Note:

1. *Parking Enforcement Coordinator - This cost has been fully offset by an increase in revenue collected from parking tickets.*
2. *Horticulture Technician - The annual cost of this position is $73,300. This cost has been fully offset by reallocating funding from within the exisiting budget.*
3. *Business & Performance Support Strategist Position – The annual cost of this position is $98,500. This cost has been fully offset by reallocating funding from within the exisiting budget.*
4. *Salary Change Administration - The annual cost of these positions is $193,000. This cost has been fully offset by reallocating funding from within the exisiting budget. It results in a slight decrease to the budget.*

The 2012 General Operating Budget includes the following funding on a one-time basis related to Ensuring Organizational Capacity and Effectiveness:

			2012 Full Time Equivalent Position:
	Description	**2012 Cost**	**Casual**
1.	Municipal/School Board General Election [1]	558,900	-
2.	Humane Society Contract Increase	85,500	-
		644,400	-

Note:

1. *Municipal/School Board General Election – The budget presented is the true costs of the Election in 2012 and the School Boards are jointly required to provide 50% of the funding.*

Municipal Revenues

Regina saw a significant improvement toward stabilizing its revenue streams in 2010, with the establishment of the Municipal Operating Grant program from the Provincial government. This program was developed in consultation with both urban and rural municipalities, and reflects a more predictable and sustainable revenue stream that is linked to the economic growth of the Province. This program is based on municipalities receiving a grant equivalent to 1/5 of provincial PST revenues, and increasing or decreasing based on annual changes in this source of provincial revenue. Of the total municipal pool, cities receive a 46% share, which is at the low end of the negotiated range of between 46% and 50% of the pool of funding. Currently, Saskatchewan cities represent approximately 55% of the total provincial population and continue to see growth from provincial in-migration.

Reliance on Property Taxes

While the change in provincial funding in 2010 represents a very positive step forward for the City of Regina and other Saskatchewan municipalities, a significant reliance on property taxes still limits the ability to deal with a growing community and address the ever-widening infrastructure gap.

> *"Whether one lives in a large metropolitan centre, a medium-sized city, a small town, or even the rural countryside, property taxes are often one of the hottest local issues of the day. On one side of the street stand residents and business owners who complain that property taxes are too high and the property tax burden is growing too rapidly. On the other side of the street stands the municipal administration responsible for delivering local services. They understand that property tax revenue does not always grow alongside the broader economy and incremental increases are sometimes required to cover the costs of inflation, accommodate a growing population, and simply maintain service levels never mind increasing overall revenue in real terms."*
> Problematic Property Tax, Canada West Foundation, November 2008

There has been a significant amount of research on different taxing options, and through this research and analysis one fact remains clear: Property taxes are an inelastic source of revenue that does not generally grow with the economy. Furthermore, additions to the property tax base because of growth do not cover the incremental cost of delivering the services that come with that growth. In addition, this revenue source does little to capture the cost of providing services to those living outside the community who make use of City infrastructure and services. Cities are becoming more advanced in their approaches to governance and remain the most transparent and accessible form of government. With this in mind, Cities should be allowed to undertake taxing policy innovations that will assist in addressing these issues more directly; however, the legislative authority does not currently exist to allow for this innovation to take place. As Regina continues to grow, and replacement of ageing infrastructure continues to require a larger allocation of revenue, dialogue with the Provincial and Federal governments will continue to be required. It is important that all levels of government work together in addressing the needs of cities, as they continue to be the growth engines of both the provincial and federal economy.

Competitiveness of Regina's Municipal Taxes

Regina has made significant strides in increasing the competitiveness of its municipal tax bill for both residential and commercial properties.

Despite this progress, the City continues to face challenges with respect to perceptions about the level of property taxes in Regina as compared to other cities, as well as the relative share of education funding on the property tax base. Each year the City of Edmonton conducts a property tax survey. The survey compares the property taxes on a sample property, and also collects information on the total property and business taxes collected.

- **For municipal and other property taxes (excluding school taxes) for the sample home, Regina ranked 7th out of 21 cities.**

2010 Tax Level on Sample Home[1] – Total Municipal Tax Levy

		Total 2010 Tax Levy			
City	**Province**	**Municipal**	**Other[(3)]**	**Total**	**Rank**
Calgary	Alberta	1,129	0	1,129	1
Medicine Hat	Alberta	1,153	49	1,202	2
Winnipeg[5]	Manitoba	1,363	0	1,363	3
Surrey	British Columbia	1,129	236	1,365	4
Red Deer	Alberta	1,422	5	1,427	5
Saskatoon	Saskatchewan	1,294	146	1,440	6
Regina	**Saskatchewan**	**1,301**	**143**	**1,444**	**7**
Edmonton[5]	Alberta	1,523	19	1,542	8
Lethbridge	Alberta	1,590	31	1,621	9
Halifax[4]	Nova Scotia	1,556	150	1,706	10
Saint John	New Brunswick	1,818	0	1,818	11
St. John's	Newfoundland	1,818	0	1,818	12
Vancouver[2]	British Columbia	1,678	402	2,080	13
Grande Prairie	Alberta	2,095	11	2,106	14
Toronto[5]	Ontario	2,129	0	2,129	15
Burnaby[2]	British Columbia	1,813	361	2,174	16
Victoria	British Columbia	1,859	437	2,296	17
Laval	Quebec	2,312	0	2,312	18
London	Ontario	2,415	67	2,482	19
Montreal	Quebec	2,532	0	2,532	20
Fredericton	New Brunswick	2,790	0	2,790	21
Average				**1,846**	

Note:

1. *The sample house is defined as a 25 to 30 year-old detached 3-bedroom bungalow with a main floor area of 1,200 square feet, finished full basement and a double car garage, on a 6,000 square foot lot.*
2. *Based on the averaged value of single-family houses, which may not correspond to the sample house described above.*
3. *Other includes regional and other tax levies.*
4. *Grant is for school levy. For Regina and Saskatoon the grant for 2007 was 10% of school tax.*
5. *Based on the median value of single detached houses; which may not correspond to the sample house described above.*

- **For the total tax levy per capita, Regina is 10th out of 21 cities.** For this calculation, the total tax levy includes property, education and business tax. Several of the cities (St. John's, Edmonton, Calgary and Winnipeg) levy a business tax.

2010 Tax Level on Sample Home[1] – Total Tax Levy

		Total 2010 Tax Levy						
City	Province	Municipal	School	Other[4]	Total	Grants /Credits	Net Property Tax	Rank
Edmonton[5]	Alberta	1,523	824	19	2,366	0	2,366	9
Calgary	Alberta	1,129	985	0	2,114	0	2,114	6
Red Deer	Alberta	1,422	636	5	2,063	0	2,063	4
Medicine Hat	Alberta	1,153	604	49	1,806	0	1,806	3
Grande Prairie	Alberta	2,095	677	11	2,783	0	2,783	15
Lethbridge	Alberta	1,590	605	31	2,226	0	2,226	7
Burnaby[3]	British Columbia	1,813	1,264	361	3,438	570[2]	2,868	17
Surrey	British Columbia	1,129	887	236	2,252	570[2]	1,682	2
Vancouver[3]	British Columbia	1,678	1,211	402	3,291	570[2]	2,721	14
Victoria	British Columbia	1,895	934	437	3,266	570[2]	2,696	12
Regina	**Saskatchewan**	**1,301**	**1,041**	**143**	**2,485**	**0**	**2,485**	**10**
Saskatoon	Saskatchewan	1,294	1,244	146	2,684	0	2,684	11
Winnipeg[6]	Manitoba	1,363	1,365	0	2,728	650[5]	2,078	5
Montreal	Quebec	2,532	551	0	3,083	0	3,083	20
Laval	Quebec	2,312	849	0	3,161	0	3,161	21
Toronto[6]	Ontario	2,129	870	0	2,999	0	2,999	19
London	Ontario	2,415	473	67	2,955	0	2,955	18
Halifax[6]	Nova Scotia	1,556	626	150	2,332	0	2,332	8
Saint John	New Brunswick	2,701	0	0	2,701	0	2,701	13
Fredericton	New Brunswick	2,790	0	0	2,790	0	2,790	16
St. John's	Newfoundland	1,818	0	0	1,818	396[7]	1,422	1
Average							**2,477**	

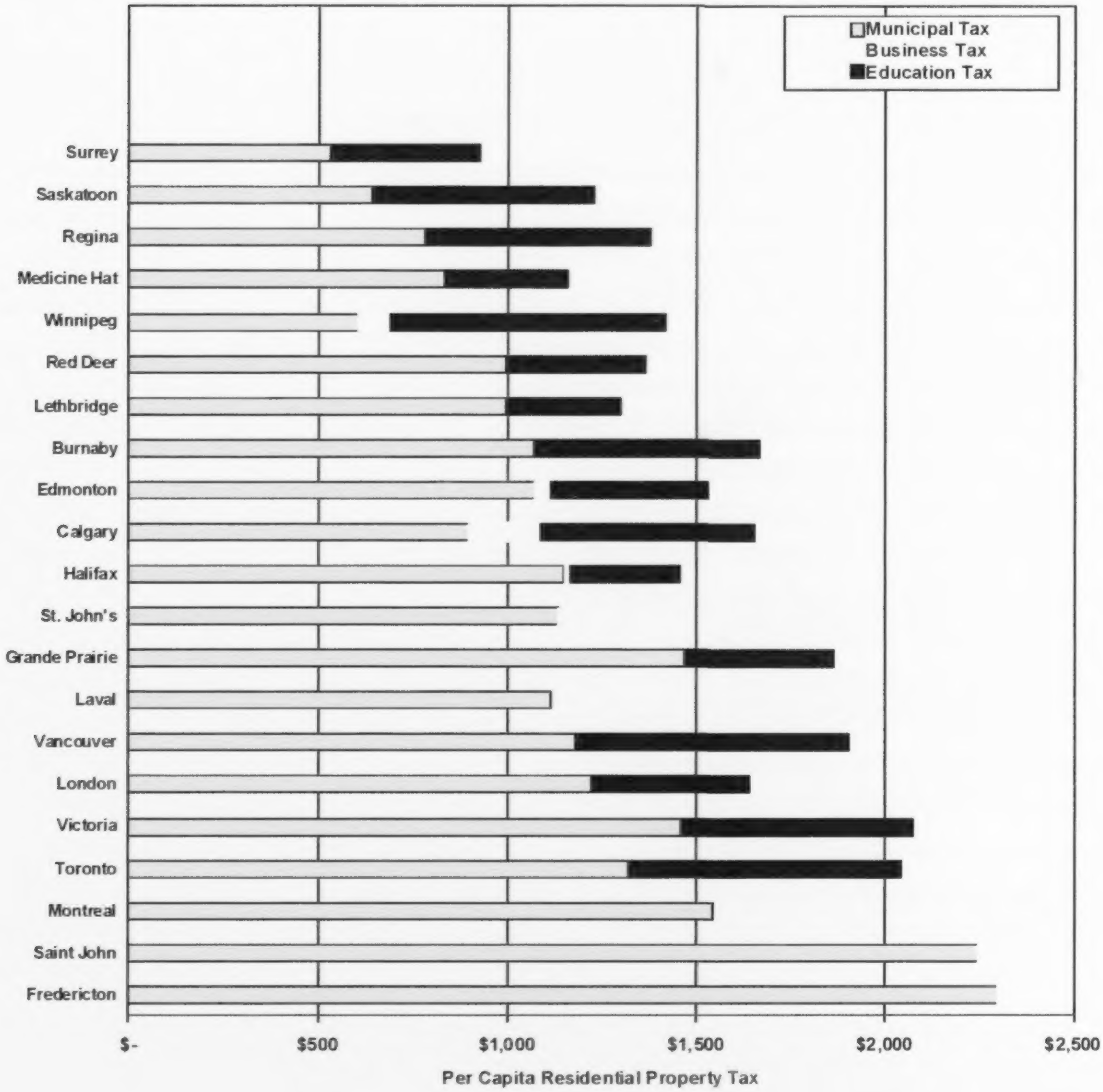
- **Regina's per capita taxes are lower than the average of the 21 cities for all per capita tax measurers other than education taxes per capita.**

Note:

1. *The sample house is defined as a 25 to 30 year-old detached 3-bedroom bungalow with a main floor area of 1,200 square feet, finished full basement and a double car garage, on a 6,000 square foot lot.*
2. *Grant is $570 for school levy for homeowners with age 64 years or under and $845 for senior citizens or handicapped.*
3. *Based on the averaged value of single-family houses, which may not correspond to the sample house described above.*
4. *Other includes regional and other tax levies.*
5. *Grant is for school levy. For Regina and Saskatoon the grant for 2007 was 10% of school tax.*
6. *Based on the median value of single detached houses; which may not correspond to the sample house described above.*
7. *Grant is 15% of property taxes.*

The next graph provides information on the per capita residential property taxes (municipal, business and education) for the cities that participated in the 2010 City of Edmonton Tax Survey

Per Capita Property Tax
(Data from 2010 City of Edmonton Tax Survey)



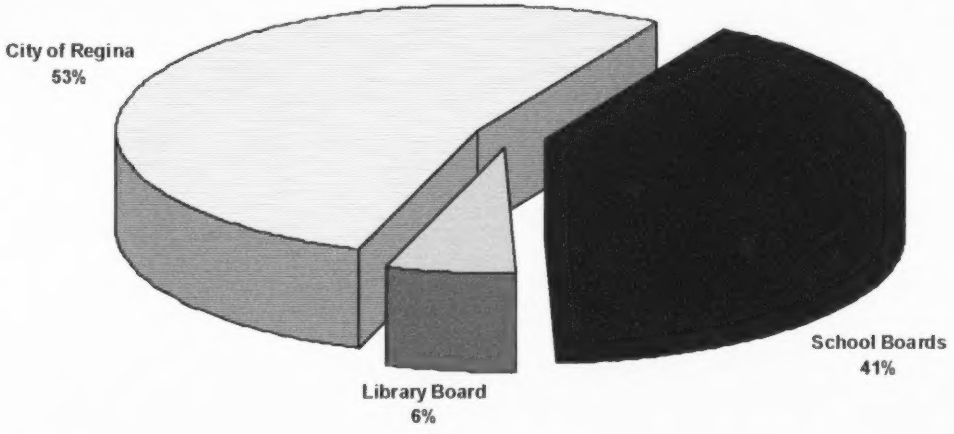
- **Regina's per capita taxes are lower than the average of the 21 cities for all per capita tax measures other than education taxes per capita.**

Historically, one challenge for the City has been the relatively high levels of education tax in Saskatchewan compared to other provinces, as well as the lack of understanding regarding the portion of the property tax bill levied by the City of Regina. **For education property taxes per capita, Regina ranked 17th out of 21 cities, with Saskatoon at 15th according to the Edmonton Tax Survey.**

In 2009, the province announced a change in the way education is funded. There was some reduction of the education share of property taxes with the intention of further reductions. In Saskatchewan, the education share of property taxes in 2009 was still higher than other provinces, creating added pressure on property tax levels. The portion of local taxes (property tax and for some cities a business tax) used to fund education costs varies significantly from city to city. The graph above also provides comparative information about the education portion of business and property taxes in various cities. The changes in the Provincial education funding model and the commitment for further reductions should assist in improving this comparison in the future.

The next graph shows the distribution of property taxes in Regina for 2011.

Distribution of Property Taxes – 2011



Electrical and Natural Gas Revenues

External revenues such as gas and electrical revenues account for about 11.3% of total revenues. The City has no control over these revenues as the Province also sets gas and electrical rates. These rates are the major determinant in the level of gas and electrical revenues received by the City. While recent rate increases have added to City revenues, the markets are extremely volatile, and rate increases increase the costs for residents and businesses in Regina. For 2012, electrical and natural gas revenues are projected to increase by about $344,900

Licences and Levies

Under the provisions of The Cities Act, the City is limited to charging licence fees only to the extent that the fees cover costs. Licence fee increases, such as those approved for business licences in 2007 and animal control effective December 1, 2010 have been important in providing revenues to cover the costs of administering the licence regime. But these revenues are not available to be used for other sources.

Similarly, certain service and user fees are limited only to the cost of providing those services.

Tax penalties have also decreased in recent years as the City has made strides in reducing tax arrears through improved tax enforcement processes. Arrears as a percentage of the total tax levy dropped from 2.6% in 2005 to 2.2% at the end of 2010.

Provincial and Federal Operating Grants

Operating grants from the Provincial and Federal Governments account for 12.4% of 2012 revenues. Efforts of organizations such as the Federation of Canadian Municipalities, the Conference Board of Canada and the Canada West Foundation have helped to inform and advance recognition of the need for strategic investment in cities so they can fulfil their potential as engines of sustainable national growth. Federal capital programs such as the gas tax funding are providing much needed assistance to the City in addressing infrastructure requirements.

This year, the Municipal Operating Grant is expected to provide $36.6 million in funding for operating costs for the City of Regina. This is an increase of $4.4 million over the 2011 funding levels.

For 2012 Capital Program the City will receive $11 million from the Federal Government as a share of Gas Tax revenues.

Expenditure Challenges

Each year, City Council must consider the level of expenditures to fund programs and services, including the capital requirements related to those programs and services. Expenditure challenges include:

- **Growth in the Community**. While it is generally perceived that any increase in expense resulting from the physical growth of the city would be covered by additional tax revenues, that is not the case. There are required increases in the budgeted operating expenditures for areas such as waste collection and additional open space. But the most significant impact on the budget from growth is in the area of capital requirements for road network improvements.

- **Increases in salary and benefit costs.** The City is facing the same impacts as other employers from the shortage of labour resulting from demographic trends and the economic growth in Western Canada. These pressures will be reflected in the higher labour costs seen in other public sector organizations as well as across the labour market in general.

- **Education and Training Costs.** The City has experienced significant turnover for the past three years in all areas and levels of the organization. This equates to additional training and development requirements to ensure staff are able to perform required duties of their new position. To align with the Corporate Strategic Plan, the City has developed a Corporate Customer Service Strategy and training designed for all employees.

- **Increases in the price of fuel, asphalt, electricity and construction and engineering services** have exceeded the general inflation rate.

- There are also cost pressures as a result of **changing community interests, regulatory requirements, standards and expectations.**

- **Many local arts, cultural, sporting, community and charitable organizations are faced with fiscal pressures.** There has been an increase in the number of organizations seeking support through tax exemptions or capital or operating grants.

- **There continues to be a significant "infrastructure gap".** As outlined in the 2012 – 2016 General Capital Investment Program document, the City has identified a significant funding shortfall in its infrastructure requirements over the next ten years. Continuing delays in addressing the infrastructure gap will cause that gap to continue to grow.

- **The City has significant unfunded liabilities for vested sick leave, accumulated vacation credits, service pay and banked overtime**. At the end of 2010, the liabilities for these costs were estimated at $32 million ($29 million at the end of 2009). As a growing proportion of the City's workforce reaches retirement age, the cash flows required to pay off this liability will grow. Demographic trends indicate there will be a significant cash flow impact over the next few years. Divisions are required to absorb these costs in their existing budgets.

- **The City has significant unfunded liabilities for pension and benefit plans**. The City is not required pursuant to accounting standards to account for a liability with respect to multiple employer pension and benefit plans such as the Civic Pension Plan and the Long Term Disability Plan, however, the liability is significant. The employers'contribution is increasing in 2010 to meet existing liabilities following a significant drop in financial markets since 2008. These rates remain relatively high and contribute to pressures both in terms of contribution costs and in the recruitment and retention of employees.

- **Overall, the community supports the level of most City services and has a high rating for the services provided.** ***(2011 citizen satisfaction survey)*** **Regardless of these ratings, there are two realities the City faces:**

  - On those occasions when the City considers the elimination or a reduction in an existing service level, there is typically a segment of the community opposed to the change.

  - Some in the community are of the view that expenditures can be reduced. However, most individuals or groups do not support the resulting reductions in service levels. All those in the community do not use every service provided by the City, but all services are used by a segment of the community.

Budget Options

Faced with a gap in revenues and expenditures, there are limited long-term options for City Council. These include:

- **Increase the revenue generated.** The increase can be for existing revenue sources, external contributions from senior governments or other sources, or through the authority for new alternative sources of revenue.

- **Decrease expenditures** through one or more of the following approaches:

  - Eliminate a service or reduce the level of service provided.

  - Reduce the cost of providing the service, either through reducing the costs of wages, goods and services to deliver the service, or through considering alternative service delivery, including contracting with external parties to provide the service.

  - Reduce the current contribution to capital, using debt for capital projects with long-term benefits so that the benefit and cost is shared over the long term.

Over the past number of years, the City of Regina, along with the other cities in the province, has requested authority for alternative revenue sources. Potential new revenue sources are a local fuel tax, a local vehicle registration surcharge, a share land transfer tax, a hotel tax and a local sales tax. Cities in other provinces have pursued new revenue sources. Implementation of such authority would require legislative change.

City Council has limited choices, other than through an increase in the mill rate to generate additional revenue. For many revenue sources, City Council has no control over the revenue generated.

City Council does have a choice to reduce expenditures. There are, however, certain realities to consider:

- A reduction in expenditures will result in either a reduction in direct services to the public, or a reduction in activities that support the provision of services to the public.

- A reduction in expenditures will in most instances lead to a reduction in staff. Salaries and benefits are the largest portion of the operating and capital budgets.

If there are significant expenditure reductions to be made, it will take time (and some cost) to implement the reductions. There is likely a period of 6 to 12 months before the full benefit of expenditure reductions would be achieved.

- Since 2005, the Core Services Review has identified $8.4 million in savings. It is expected that efforts in 2012 to narrow the gap between expected service levels and our ability to deliver will result in further savings in 2013 and beyond.

Budget Risks

It is important that budget choices are sustainable. From a fiscal perspective, the key consideration for City Council is the extent that the budgets are funding ongoing expenditures with ongoing revenues, and matching one-time or limited term expenditures with one-time revenues or funding sources. To the extent that budgets do not fully fund planned expenditures, or ongoing expenditures are being funded with one-time revenues, Council is shifting the budget burden to future years.

There are budget risks for 2012. These include:

- Many of the City's revenues and expenditures are subject to change due to external influences. Many factors impact revenues and/or expenditures including the weather, the cost of fuel, interest rates, gas rates and electrical rates. There could be positive or negative variances in 2012 due to these factors.

- There is some risk that assessment appeals will reduce actual tax revenue during 2012.

- Inflationary pressures for municipalities vary considerably from what Canadians think of as the traditional inflation rate (changes to the Consumer Price Index). A large proportion of municipal expenditures are for trades and construction work. Because of the economic strength both in Saskatchewan and the rest of Western Canada, these costs are rising considerably faster than the traditional inflation rate. Many municipalities are now working to develop a systematic way to assess and quantify the inflationary pressures they face. The Municipal Price Index (MPI), based on a "basket of goods" relevant to municipalities, is now being measured across Canada. For Regina, in 2011, the MPI was 3.4%, more than 50% higher than the Consumer Price Index of 2.2%. The difference in these two rates of inflation may undermine the spending power in the City's budget.

- The City has significant unfunded liabilities for sick leave and vacation which are payable upon termination of an employee. These amounts are not budgeted for and are typically covered through savings from staffing vacancies.

Financial Policies and Performance Measures

Municipal governments do not exist to make a profit but to provide services to citizens. However, budgets should be evaluated to a certain extent with regard to the impact they have on the government's financial condition.

Specific financial performance measures for governments have not yet been fully developed. However, the Public Sector Accounting Board has begun to develop guidelines that citizens can use to evaluate their government's financial position. The following information reflects the Statement of Recommended Practices. These measures are reported in the City's annual consolidated financial statements.

For governments, financial condition can be evaluted based on three factors:

Sustainability

Sustainability is the degree to which a government can maintain its existing financial obligations both in respect of its service commitments to the public and financial commitments to creditors, employees and others without increasing the relative debt or **tax burden** on the economy within which it operates.

Measures of sustainability include ratios such as:

- assets to liabilities
- financial assets-to-liabilities
- net debt to total annual revenue

Municipalities typically address strategies regarding sustainability through debt policy, including maximum ratios for debt servicing costs as a percentage of operating revenues and per capita debt levels.

Flexibility

Flexibility is the degree to which a government can change its debt or tax burden on the economy within which it operates to meet its existing financial obligations both in respect of its service commitments to the public and financial commitments to creditors, employees and others.

Measures of flexibility include the following ratios such as:

- Debt charges-to-revenues
- Net book value of capital assets-to-cost of capital assets
- Own source revenues to taxable assessment

General-purpose reserves – that is, those not linked to specific future needs – are the primary tool that municipalities use to be prepared for unforeseen circumstances and to take advantage of opportunities.

Vulnerability

> Vulnerability is the degree to which a government is dependent on sources of funding outside its control or influence or is exposed to risks that could impair its ability to meet its existing financial obligations both in respect of its service commitments to the public and financial commitments to creditors, employees and others.

One measure of vulnerability is the ratio of revenues from other orders of government to a City's own-source revenues. Others would take into consideration significant operating revenues from single sources, such as one taxpayer that makes up a significant portion of a municipality's revenues.

A strategy to reduce vulnerability would be the diversification of revenue sources. While municipalities can do this to a certain extent by attempting to draw diverse businesses, the current limitations on alternative sources of revenue reduce the viability of such a strategy and have the impact of increasing the dependency on revenues from other orders of government and property taxes.

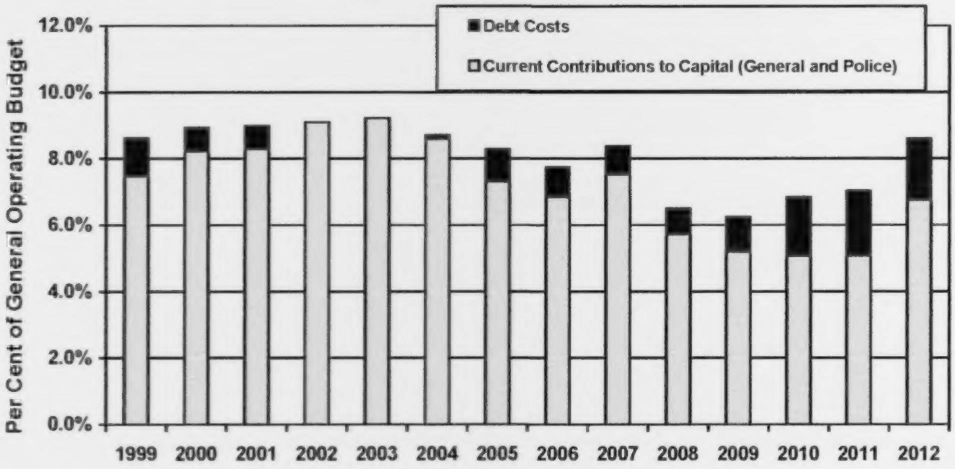
Long Term Financial Planning

During 2012, the Administration will continue to develop, for consideration by City Council, future financial plans which will assist in identifying specific areas of concern, best practices, and recommended policies, particularly those relating to the financial performance measures described above. Although work on all aspects of these plans are not yet complete, there are three areas for which some analysis is available:

Capital Requirements

The following graph shows the annual contribution to capital from the operating budget since 1999. It is clear that the challenge of providing capital from operating revenues has been difficult and will continue to be difficult.

Capital Funding From Current Operations – 1999 to 2012
(Per Cent of General Operating Budget)

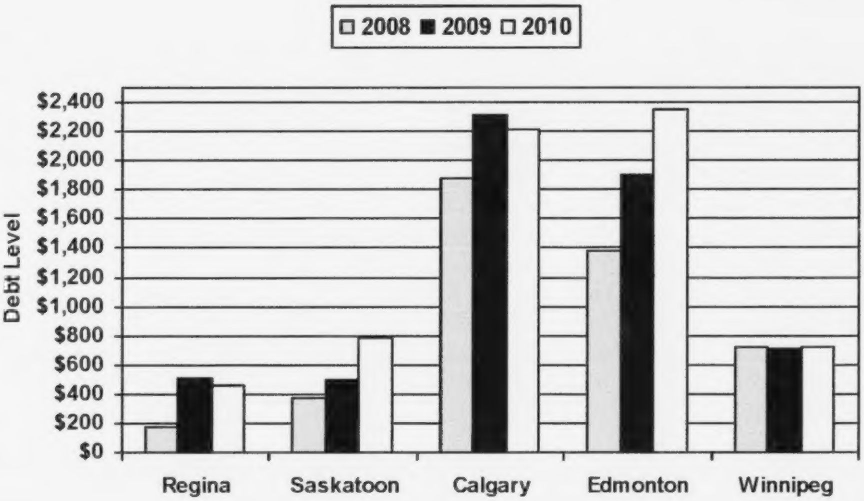


Debt Levels

Low debt levels provide flexibility and reduce vulnerability for a municipality. However, a municipality limited to strictly pay as you go financing for capital projects will be challenged to maintain sustainability, as it is difficult to raise sufficient funds in advance of requirements for infrastructure. The use of debt, like a mortgage, can allow a municipality to spread out the cost of capital investments over the period of benefit. Regina has relatively low levels of debt compared to other cities. With relatively low interest rates, more municipalities are increasing the use of debt as a method of financing infrastructure requirements.

The following chart shows the per capita debt comparisons to other Cities for the years 2008, 2009 and 2010.

Regina's Debt Levels – Comparisons to Other Cities



Reserve Levels

The City does not have extensive reserves. The 2012 ending balance in the General Fund Reserve is $27.9 million, the City's overall level of reserves is relatively low compared to other Western Canadian cities.

The next table is a summary of the City's reserve balances for the last five years.

Reserve Balances ($000's)

	2008	2009	2010	2011	2012
General Reserves:					
General Fund Reserve	25,644	32,618	31,753	28,861	27,955
General Utility Reserve	8,556	22,439	61,907	37,836	39,691
Subtotal	34,200	55,057	93,660	66,697	67,646
Specific Purpose Reserves:					
Land Development Reserve	-	-	-	6,022	5,485
Landfill Reserve	15,087	18,198	17,102	7,982	16,458
Winter Road Maintenance Reserve	3,426	3,426	3,426	3,426	3,426
Other Reserves	8,969	11,450	12,729	14,650	17,529
Subtotal	27,482	33,074	33,257	32,080	42,898
Reserve Totals	61,682	88,131	126,917	98,777	110,544

The growth and draw in the Utility and Landfill reserves in the past three years, reflects the planned approach to providing for future capital requirements. The 2012 – 2016 General Capital budget reflects significant capital funding to be provided from reserves to fund required infrastructure investment.

Conclusion

The 2012 General Operating Budget provides the funding for significant progress towards achieving City Council's Vision:

> **Canada's most vibrant, inclusive, attractive, sustainable community, where people live in harmony and thrive in opportunity.**

It has been developed with a focus on the strategic priorities identified in the Corporate Strategic Plan – Accelerating Excellence:

- Managing Growth and Community Development
- Strengthening City Infrastructure and Managing Assets
- Achieving Operational Excellence
- Ensuring Organizational Capacity and Effectiveness

While Regina is in the midst of an exciting period of growth, it is also facing increasing financial pressure as a consequence of that growth. The 2012 budget attempts to find the right balance between addressing the needs of a growing city, continuing to prioritize the City's long-term needs, and minimizing the tax burden on residents. Building the proposed budget, the City of Regina took into account:

- Regina continues to experience growth – and responsible growth requires investment;
- The cost of many supplies continues to increase above the rate of inflation;
- An increase in Provincial funding is anticipated in 2012; and
- Citizens hold us accountable for making progress toward a brighter future, captured in our vision, while making efficient use of resources.

To continue to deliver programs and services through this growth period, while making progress on our vision, the City of Regina is implementing a 3.9% increase in the mill rate and issue of $5 million in debt for 2012.

This page left blank intentionally.

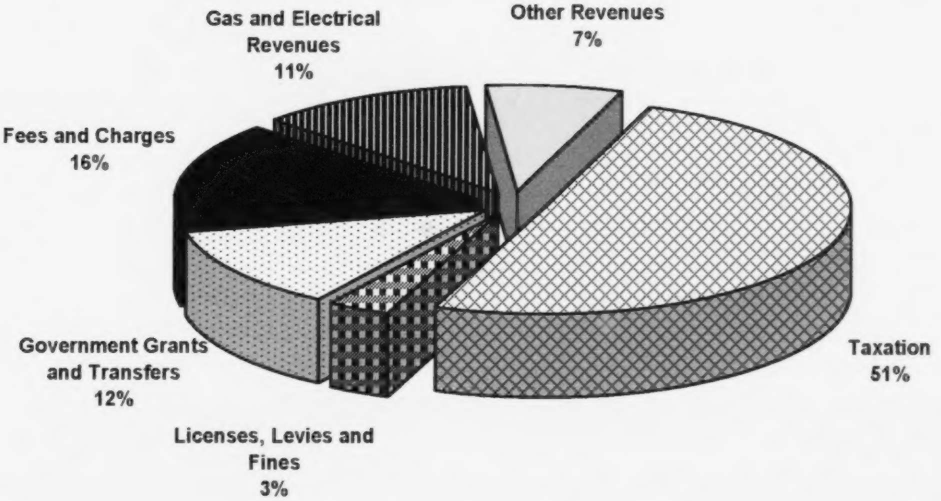
General Operating Revenue

General Operating Revenues

Operating Revenue Summary ($000's)

Revenue Category	2011 Budget	2011 Actual	**2012 Budget**	Budget Change Dollar Change	Budget Change Per Cent Change
Taxation	148,648.4	148,414.7	**157,172.2**	8,523.8	5.7
Government Grants and Transfers	34,417.2	36,039.7	**38,697.2**	4,280.0	12.4
Licenses, Levies and Fines	9,953.1	10,058.7	**10,650.8**	697.7	7.0
Fees and Charges	42,526.2	49,346.0	**48,026.4**	5,500.2	12.9
Other Revenue	51,479.6	70,301.7	**58,031.1**	6,551.5	12.7
Total	287,024.5	314,160.8	**312,577.7**	25,553.2	8.9

2012 Operating Revenues



Highlights with respect to the 2012 revenue budget are:

- **The mill rate increase for 2012 is 3.9%.**
- **The 2012 Budget has been prepared including the Municipal Operating Grant Pool (former Revenue Sharing Grant) of $36.6 million, an increase of $4.4 million from funding provided in the 2011 Budget.**
- **The transfer from the General Fund Reserve to the Operating Budget in 2012 is $1,783,600.**

The 2011 Budget included a $75,000 Transfer from the General Fund Reserve.

- **The utility surplus transfer for 2012 is $6,881,200, an increase of $504,300 over 2011**. The budget retains a transfer of $675,000 from the Water and Sewer Utility related to the additional GST rebate implemented by the Federal Government in 2005.

- **Gas and electrical revenues are projected to increase by $344,900.** The natural gas market is extremely volatile so significant variances may occur.

The following table is a detailed list of 2012 revenue sources for the General Operating Budget. The table outlines the amount of revenue, along with an analysis of the factors that determine the revenue generated from those sources. For some revenue sources City Council controls one or more of the factors that determine the revenue generated, although there may be some restrictions in legislation or regulations. For some revenue sources (gas revenues, electrical revenues, interest earnings and government grants), City Council has no control over the revenue generated.

General Operating Revenues

Revenue Source	Factors Determining the Amount of Revenue	Does the City Control?	2012 Budget	Per Cent of Total	Cumulative Percentage
Property Taxes (including supplementary taxes)	Assessment Growth Mill Rates	No **Yes**	145,629,100	46.6%	46.6%
Electrical Revenues	Formula for Transfers Electrical Rates Consumption	No No No	28,500,000	9.1%	55.7%
Government Grants and Transfers (includes Police & Lotteries)	Government Policy	No	46,490,200	14.9%	70.6%
Gas Revenues	Payment In Lieu Rate Natural Gas Rates Consumption	No No No	6,800,000	2.2%	72.8%
Grants-In-Lieu of Property Taxes	Assessment Growth Mill Rates Government Policy	No **Yes** No	9,608,100	3.1%	75.8%
Community and Leisure User Fees	Amount of Fee Amount of Use	**Yes** No	9,888,800	3.2%	79.0%
Waste Collection and Disposal Fees	Amount of Fee Amount of Use	**Yes** No	9,125,000	2.9%	81.9%
Transit and Paratransit User Fees	Amount of Fee Amount of Use	**Yes** No	7,321,000	2.3%	84.3%
Utility Surplus Transfer	Transfer Rate Calculation Base	**Yes** **Yes**	6,881,200	2.2%	86.5%
Interest Earnings	Interest Rates Cash Balances	No No	8,319,000	2.7%	89.1%
Fines	Fine Amount Number of Infractions Level of Enforcement	**Yes** No **Yes**	4,850,000	1.6%	90.7%
Recovery of Administrative Costs (Utility, Pension Plans & BPWAB)	City Council Policy	**Yes**	4,453,300	1.4%	92.1%

General Operating Revenues					
Paved and Gravel Alley Special Tax	Levy Rates Alley Lengths	**Yes** No	3,686,900	1.2%	93.3%
Other Revenue or Fees	Amount of Fee Amount of Use	**Yes** No	9,106,400	2.9%	96.2%
Recovery From Other Taxing Authorities (net of cancellations)	Transfer Rate Calculation Base	**No** **No**	1,935,000	0.6%	96.8%
Parking Meter and Permit Fees	Amount of Fee Number of Meters Amount of Use	**Yes** **Yes** No	1,400,000	0.4%	97.3%
Penalties on Taxes	Penalty Rates Outstanding Taxes	**Yes** No	975,000	0.3%	97.6%
Building Permit & Inspection Fees	Amount of Fee Number & Value of Permits	**Yes** No	3,313,100	1.1%	98.6%
Cemetery Fees	Amount of Fee Amount of Use	**Yes** No	933,200	0.3%	98.9%
Business and Taxi Licenses	License Fee Number of Licenses	**Yes** No	830,000	0.3%	99.2%
Amusement Tax	Tax Rate Ticket Prices Number of Tickets Sold	**Yes** No No	650,000	0.2%	99.4%
Planning and Development Fees	Amount of Fee Number of Applications	**Yes** No	1,397,400	0.4%	99.8%
Animal Control and Impoundment	Amount of Fee Number of Applications	**Yes** No	485,000	0.2%	100.0%
2012 General Operating Revenue			312,577,700	100.0%	

Each budget process involves choices with respect to costs (services provided, service costs and the method of service delivery), and the revenues available to fund the costs. Revenue choices include:

1. **Seek additional funding from the senior governments, or seek authority for new sources of revenue.** There are limits to the authority of City Council with respect to revenue options. The taxation authority for the City is limited to that provided in *The Cities Act*. The City's authority for taxes is essentially property tax, amusement tax and special taxes.

   The City is continuing to review its options around developing alternative revenue resources to meet the increasing operating and capital funding needs as the city continues to experience more significant growth. The Federal Government now provides municipalities 1.5 cents per litre of the Federal fuel tax starting in 2005, increasing to 5 cents per litre in 2009. In Alberta, Calgary and Edmonton each receive 5 cents per litre for every litre of gasoline sold in the city.

2. **Increase the mill rate.** The mill rate is the primary determinant for property tax revenue and grants or payments in lieu of property tax. The revenue from property tax does not increase in the same way that Federal and/or Provincial Government taxes increase. Taking the PST as an example, the revenue from PST is influenced by three factors:

   - Tax rate (currently 5% in Saskatchewan);

- Growth in the tax base resulting from more goods and services being sold – essentially growth through an increase in the "volume" or the tax base; and,

- Growth in the tax base as the cost of goods and services increases – essentially growth in the tax base through increases in "value or price".

For property taxes, while the assessment base has growth each year due to the construction or renovation of buildings that generates new property taxes, there is no increase in property taxes from growth in the assessed value of properties based on market appreciation.

3. **New or increased user fees and charges, fines and license fees.** Significant rate decisions made in recent years that are reflected in the 2012 budget projections include:

   - A fee schedule (Bylaw CR10-43) for Arena Ice Fees and Charges for 2010 to 2013

   - A Golf Course Fee Schedule (Bylaw CR10-17) for 2010 to 2012

   - A Cemetery Fee Schedule (Bylaw CR11-149) for 2012 to 2013.

   - Increased landfill rates (Bylaw CR10-110) for 2011 to 2013.

4. **Pursue alternative revenue options provided for in *The Cities Act* that are not currently used by the City of Regina.** Revenue options include:

   - The definition of a public utility [Section 2(cc)] includes waste management and street lighting services. During the 2002 budget process, the Executive Committee (Report EX02-15) considered the concept of a Waste Management Utility. The decision was made not to proceed with a utility. If a utility was implemented for waste management or street lighting, the cost of the services could be funded through a special charge rather than through general revenues.

   - There are a number of municipalities that pay for waste collection and disposal through specific fees. The fee structures are typically either a flat fee irrespective of the amount of waste disposed, or use of a system such as the "tag a bag" system. The "tag a bag" concept could not be implemented in Regina for those portions of the city served by rear lane collection.

   - Section 8(3) of The Cities Act provides the authority for fees for licenses, inspections, permits or approvals. Section 8(4) of the legislation limits the license fees to the cost to the City for administering and regulating the activity and collecting the fees. While the City has many fees and charges, there may be opportunity for additional fees and charges. The total revenue increase available through new fees is likely minimal.

   - Section 264 of The Cities Act allows the establishment of service fees in connection with any service provided by the City. The difficulty with the legislation is that to enforce collection of the fee, the only option is to discontinue the service. For some services, discontinuance may be an option, but for many services this is not an option.

   - Section 275 of The Cities Act authorizes a council to pass a special tax bylaw to raise revenue to pay for any specific service or purpose to be completed within the current year. The special tax could apply to the entire city or a portion of the city. The tax rate can be applied based on the property assessment, the frontage of a property, the area of a property or to each parcel of property. The only special tax currently levied by the City is for costs related to the reconstruction and maintenance of alleys and lanes.

- Section 279 of The Cities Act authorizes an amusement tax. While the City currently has an amusement tax, the City has chosen to limit the tax to those attending a commercial movie theatre. The tax base could be expanded to other forms of entertainment where an entrance fee or admission is charged.

If new taxes or fees are implemented, there will be increased administrative costs. The cost may be modest if existing billing and collection processes can be used. If not, the administrative cost of a new fee or tax could be substantial.

Taxation

Operating Revenue Summary ($000's)

Revenue Source	2011 Budget	2011 Actual	2012 Budget	Budget Change Dollar Change	Budget Change Per Cent Change
Municipal Property Tax	136,205.3	135,721.9	**144,729.1**	8,523.8	6.3
Payments and Grants in Lieu of Tax	9,608.1	9,415.1	**9,608.1**	-	-
Total Property Tax	145,813.4	145,137.0	**154,337.2**	8,523.8	5.8
Supplementary Property Tax	900.0	1,254.1	**900.0**	-	-
Recovery from Other Taxing Authorities	2,135.0	2,145.5	**2,135.0**	-	-
Tax Cancellations	(200.0)	(121.9)	**(200.0)**	-	-
Total	148,648.4	148,414.7	**157,172.2**	8,523.8	5.7

Note:

1. *Actual results for 2011 will be reported in the final budget document.*

The 2012 budget for property taxes and grants in lieu of property taxes is about $157.2 million, an increase of about $8.5 million over the 2011 budget. This amount consists of the following: increase in the municipal mill rate, $5.8 million; increase in tax revenue from growth, $2.7 million.

The key assumptions or factors that impact the budget are:

The increase in the municipal mill rate for 2012 is 3.9%. The mill rate for 2011 was 14.5389 compared to 15.1059 for 2012. With the mill rate increase, tax revenues will increase by about $8,523 million.

In previous years the property tax revenue shown in this document reflected a reduction of the budgeted levy amount by the projected appeal risk. Starting in 2010, there has been no provision to fund appeal risk in the General Operating Budget therefore, the 2012 property tax projection is not adjusted for potential appeal risk.

The 2012 preliminary tax assessment roll is $10,240,541. The final date to file an appeal for 2012 is December 14th, 2012. The assessment roll will be reviewed for potential risk due to corrections and assessment appeals using preliminary information obtained from appeals filed for 2012. Based upon the review of appeals received, there may be a risk of reduction in the assessment roll. If the reduction in tax revenues due to assessment appeals causes a deficit in the 2012 fiscal year, then that deficit must be eliminated by a transfer from the General Fund Reserve to the General Operations Fund.

The following table details the property tax and grants in lieu of tax revenue (budget and actual) for the last five years. The property tax revenue includes supplementary taxes.

Tax Revenue ($000's)	**2008**	**2009**	**2010**	**2011**	**2012**
Property Tax:					
Budget	116,859.0	118,208.6	128,300.6	136,205.3	144,729.1
Actual	118,120.8	122,114.6	127,519.4	136,130.0	-
Variance	1,260.9	3,906.0	(781.2)	(75.3)	(144,729.1)
Grants In Lieu of Property Tax:					
Budget	8,162.3	8,725.0	9,196.2	9,608.1	9,608.1
Actual	8,147.4	8,403.9	8,604.2	9,415.1	-
Variance	(14.9)	(321.1)	(592.0)	(193.0)	(9,608.1)

As a result of assessment appeal decisions within the year and allowances for outstanding assessment appeals at the end of each year, there has been significant volatility in actual tax revenue as compared to budgeted revenues.

Mill Rates and Mill Rate Factors

Mill rates and mill rate factors serve different purposes. The mill rate, applied to the taxable assessment (including the assessment of grant in lieu properties), determines the total tax generated. Mill rate factors determine the distribution of the taxes between groups of properties. The following table is the history of mill rates, including the mill rates for the Schools and Library, over the last ten years. There have been reassessments in 1997, 2001, 2005 and 2009. Whenever a reassessment occurs, the mill rate is recalculated such that there is no change in the total taxes levied as a result of the reassessment. The annual per cent change for 2005 and 2009 in the following table is based on the mill rate for the year in comparison to the restated mill rate for the prior year.

Mill Rate History

	Municipal		**Schools**		**Library**		**Total**	
Year	**Mill Rate**	**Per Cent Change**	**Mill Rate**	**Per Cent Change**	**Mill Rate**	**Per Cent Change**	**Mill Rate**	**Per Cent Change**
2002	18.4194	4.33%	19.7247	1.00%	1.9077	1.50%	40.052	2.53%
2003	18.6212	1.10%	19.7247	-	1.9745	3.50%	40.320	0.67%
2004	18.6212	-	19.7427	-	1.9745	-	40.338	-
2005	17.6987	4.00%	18.0264	-	1.8045	3.00%	37.5296	1.99%
2006	17.6987	-	18.5528	2.92%	1.9320	2.92%	38.1835	1.74%
2007	18.3907	3.91%	19.0166	2.44%	2.0267	4.90%	39.4340	3.17%
2008	18.9130	2.84%	19.7393	3.80%	2.1059	3.91%	40.7582	3.36%
2009	13.4420	-	*See Note 1*	-	1.4967	-	-	n/a
2010	13.9797	4.00%	*See Note 1*	-	1.5401	2.90%	-	n/a
2011	14.5389	4.00%	*See Note 1*	-	1.5919	3.36%	-	n/a
2012	15.1059	3.90%	*See Note 1*	-	1.6221	1.90%	-	n/a
Average Increase - 2002 to 2012		**2.55%**				**2.54%**		

Note:

1. *The Provincial Government has changed the way education costs are funded by the province and to the way that education property taxes are calculated.*
   - *The province now sets province wide mill rates to calculate the education tax for properties.*
   - *The province has changed the level of direct funding for school boards.*
   - *The Province wide mill rates for 2012 were established on March 22, 2012 as follows: Agricultural at 3.91, ,Residential (including Condominiums and Multi-family) at 9.51, Commercial and Industrial (tiered rates) – Assessment up to 499,999 at 12.25, Assessment of 500,000 to 5,999,999 at 14.75 and Assessment of over 6,000,000 at 18.55.*

Mill rate factors can be established by City Council for each property class or subclass. The factors change the distribution of the total tax levied but do not increase or decrease the total tax collected. The following table shows the mill rate factors since 2008.

Mill Rate Factors

Property Class/Subclass	2008	2009	2010	2011	2012
Residential (including condominiums)	0.85494	0.89783	0.90059	0.90059	0.90059
Multiple Family Residential	1.03147	0.93390	0.90059	0.90059	0.90059
Commercial and Industrial	1.34557	1.22945	1.22945	1.22945	1.22945
Exterior Hotels	n/a	n/a	n/a	n/a	n/a
Golf Courses	0.94826	0.92187	0.92187	0.92187	0.92187
Agriculture	1.34557	1.22945	1.22945	1.22945	1.22945

The Province announced that for 2009 there are changes to the funding of education and changes to the way property tax is calculated for the education levy. Province wide education levy mill rates are now set by property class with mill rate factors no longer applied to calculate the education portion of property taxes. Mill rate factors can still be applied to calculate the municipal and library property tax levies. The following table shows the 2012 education mill rates as set by the Province.

Property Class	2012
Residential (including condominiums)	9.51
Multiple Family Residential	9.51
Agriculture	3.91
Commercial and Industrial (Taxable Assessment less than 499,999)	12.25
Commercial and Industrial (Taxable Assessment is 500,000 to 5,999,000)	14.75
Commercial and Industrial (Taxable Assessment is greater than 6,000,000)	18.55

Note:
The Province wide mill rates for 2012 are not known at this time. They will be announced with the Provincial Budget.

Property Assessment

Taxable assessment for a property is the fair value assessment determined in accordance with legislation and the Saskatchewan Assessment Manual multiplied by the provincial percentage set by the Province. For 2012, the provincial percentages are:

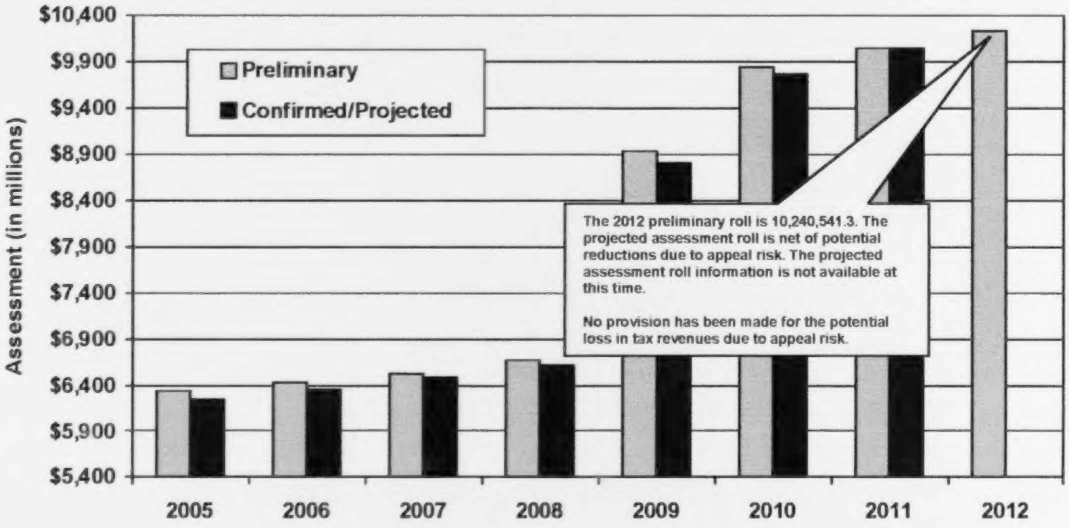
- 70% for all residential property, including condominiums and multi-unit residential property.
- 40% for non-arable land and 55% for other agricultural property.
- 75% for elevators, rail right of ways and pipelines; and,
- 100% for all other commercial and industrial property.

Each year an assessment roll is prepared. Every four years there is a province wide reassessment that updates assessments to a new base year. 2009 was a revaluation year that reflects a base date of June 30, 2006. Within 30 days from the "opening" of the assessment roll, property owners have the right to file an assessment appeal. The first step of the assessment appeal process is an appeal to the Board of Revision. If any party to the assessment appeal is of the view that the Board of Revision erred in their decision, the party can appeal to the Saskatchewan Municipal Board Assessment Appeal Committee (SMBAAC). Once the SMBAAC renders a decision, parties to an appeal have the right to seek leave to appeal to the Court of Appeal with respect to a question of law.

Each year, there are changes to the assessment roll. This includes changes due to assessment appeal decisions of the Board of Revision and/or SMBAAC; additions to the assessment roll resulting from new construction or major renovations of property, the subdivision of property and zoning changes; and, deletions to the assessment roll, typically resulting from demolitions of property.

The total taxable assessment (including the assessment of grant in lieu properties) has been subject to significant change and uncertainty due to assessment appeals. The following graph highlights the variability between the preliminary assessment roll and confirmed assessment roll totals since 2005.

Property Assessment (Taxable and Grant-in-lieu)



The 2012 preliminary roll is 10,240,541.3. The projected assessment roll is net of potential reductions due to appeal risk. The projected assessment roll information is not available at this time.

No provision has been made for the potential loss in tax revenues due to appeal risk.

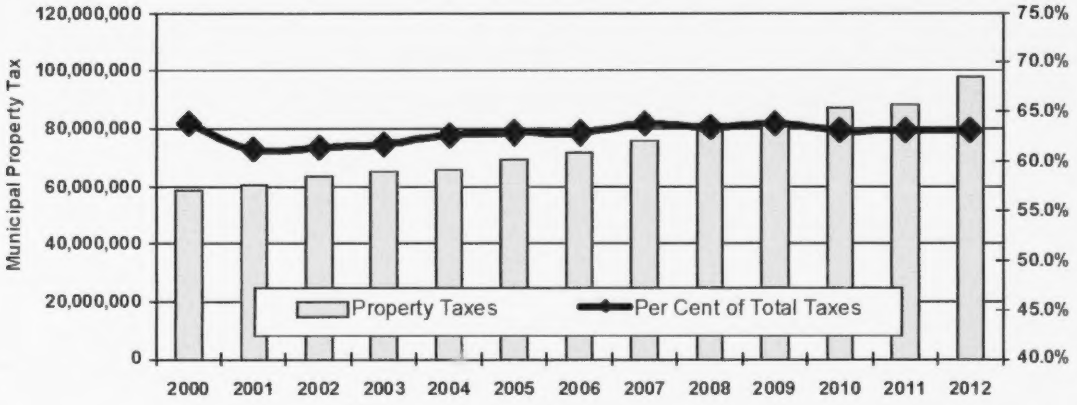
Note:
The 2005 – 2008 assessments are valued with a base year of 2002. The 2009-2010 assessment is valued with a base year of 2006.

Often in recent years, due to the impact of assessment appeals and other assessment changes, the confirmed assessment roll is less than the preliminary assessment roll. The contingent liability for assessment appeals outstanding at September 30, 2011 was approximately $1.3 million. The risk is with respect to appeals for the years 2009, 2010 and 2011.

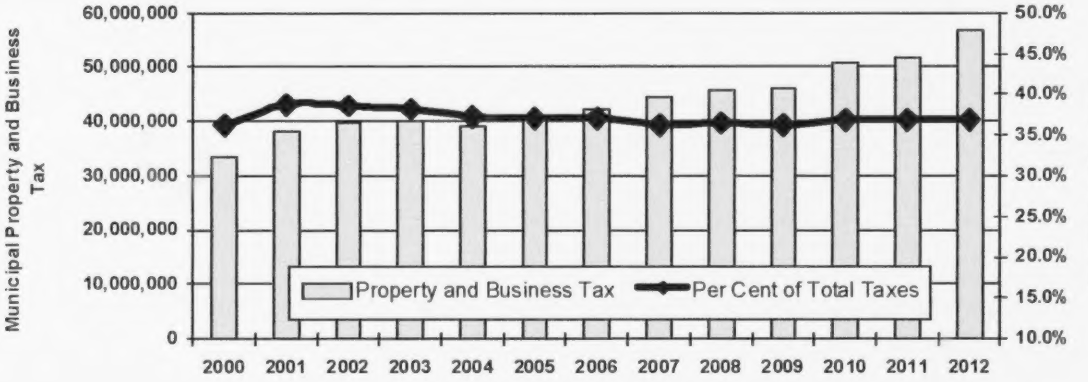
Tax Distribution

The next two graphs provide information on the changes in the distribution of taxes in Regina since 1997. The taxes are based on the confirmed assessment roll each year, net of phase-in adjustments and do not reflect allowances established at the end of the year for appeals, nor subsequent appeal decisions. The taxes for 2012 are based on the projected assessment. The graphs show the total taxes and percentage of total taxes since 2000.

Municipal Property Tax – Residential Properties



Municipal Property Tax – Commercial, Industrial and Other Properties



This graph includes grants-in-lieu of government and crown-owned properties. The trend has been a decrease in the proportion of total municipal taxes paid by commercial, industrial and other properties.

Government Grants and Transfers

Operating Revenue Summary ($000's)

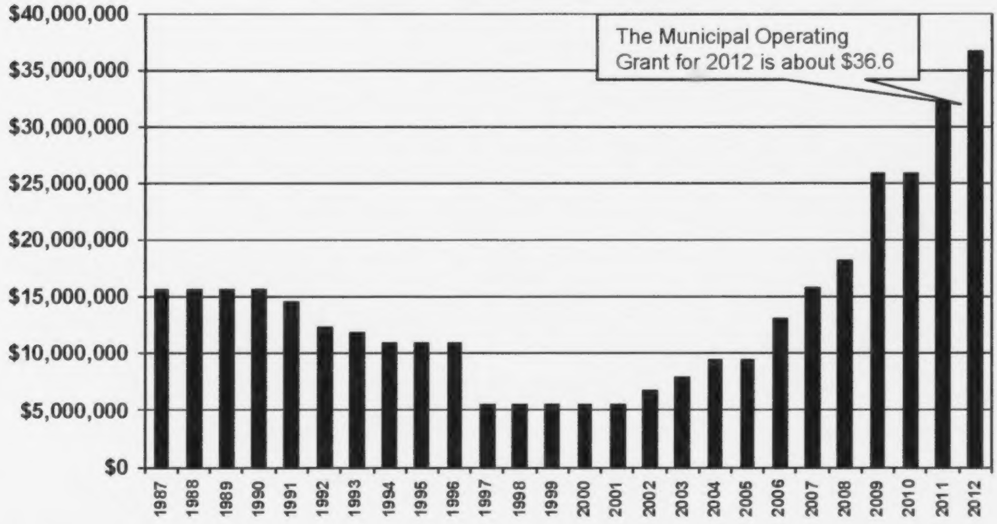
Revenue Source	2011 Budget	2011 Actual	**2012 Budget**	Budget Change Dollar Change	 Per Cent Change
Municipal Operating Grant	32,199.2	33,539.0	**36,624.2**	4,425.0	13.7
Paratransit Grant	1,045.0	1,062.3	**1,130.0**	85.0	8.1
Other Grants:					
Discount Transit Pass Grant	510.0	545.0	**520.0**	10.0	2.0
Urban Aboriginal Leadership Program	35.0	22.7	**35.0**	-	-
Crime Prevention Week	2.0	10.0	**2.0**	-	-
Internal Response to Immigration Trends	40.0	38.2	-	(40.0)	(100.0)
Recycling Grant	200.0	151.6	-	(200.0)	(100.0)
Urban Highway Connector Program	386.0	397.7	**386.0**	-	-
Mosquito Control	-	23.2	-	-	-
Provincial Grant re: Revitalize Regina Intiative	-	250.0	-	-	-
Total	34,417.2	36,039.7	**38,697.2**	4,280.0	12.4

Municipal Operating Grant (former Revenue Sharing Grant)

For 2012, funding for Regina from the Municipal Operating Grant is approximately $36.6 million. This is an increase of $4.4 million from 2011 funding levels.

The following graph shows the annual Municipal Operating Grant received by Regina since 1987:

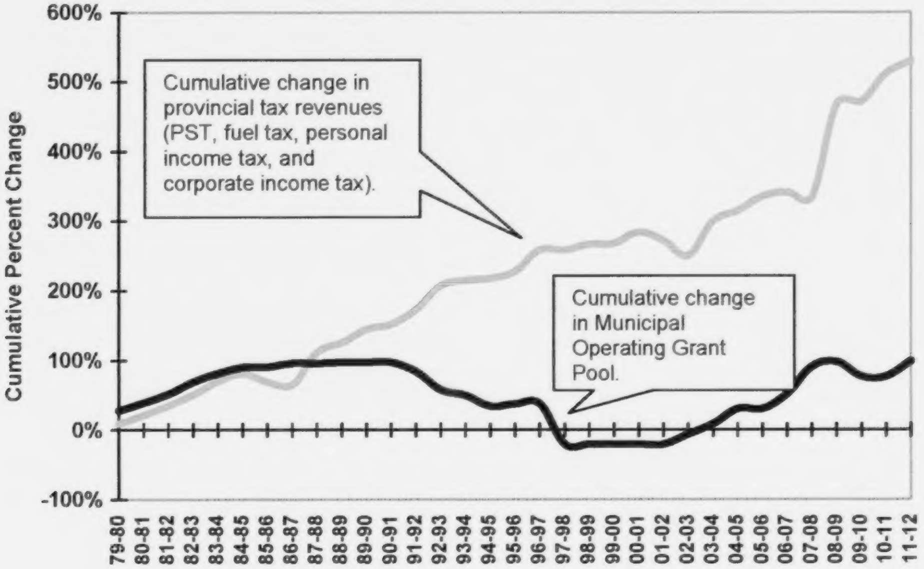
Regina's Municipal Operating Grant



The Municipal Operating Grant for 2012 is about $36.6

Initially, the amount of funding in the Municipal Operating Grant Pool was linked to four provincial tax bases (retail sales, fuel, personal income and corporate income), with the size of the pool increasing or decreasing with the change in the tax base (not tax revenue). The following graph shows the increase in the Municipal Operating Grant Pool since the inception of the grant program, in comparison to the increase in tax revenue from the four provincial taxes initially linked to the Municipal Operating Grant Pool.

Provincial Tax Revenue and Municipal Operating Grant Pool



In 1990, the Municipal Operating Grant accounted for 11.1% of the total general operating revenue budget. In 2012, the grant accounts for 11.7% of the total general operating revenue.

In 2012-13, the Provincial Government will provide a total of $237.4 million dollars in Revenue Sharing grants to urban, rural and northern communities. This is based on 2010-11 PST Revenue of $1.2 billion.

The following table shows the estimated distribution of the Municipal Operating Grant for urban and rural municipalities for 2012.

Distribution of Municipal Operating Grant

	2012	
	$ Million	**Per Cent of Total**
Urban Municipalities		
Regina	36.72	15%
Saskatoon	41.46	17%
All Other Urban Muncipalities	73.76	31%
Urban Municipalities Subtotal	151.94	64%
Rural Municipalities	68.85	29%
Northern Communities	16.62	7%
	237.40	100%

Paratransit Grant

For 2012, the **Paratransit Grant** is projected to be $1,130,000. Payments are received quarterly and the total 2012 grant is not final and could change as a result of the final calculation by the Province.

The Province's Municipal Transit Assistance for People with Disabilities program provides operating and capital grants to specialized transportation programs such as Regina's Paratransit system. When the grant program was first implemented, the program funded up to 50% of the net operating cost of the Paratransit program and up to 75% of the capital cost. The operating grant has been converted to a performance-based grant with the level of funding linked to the number of trips.

The Paratransit grant has not kept pace with service needs and costs. The following table provides information on the operating grants since 2008.

Paratransit Service ($000's)	2008	2009	2010	2011	2012
Provincial Operating Grant	949.8	1,062.9	1,002.9	1,045.0	1,130.0
City's Operating Contribution	2,075.7	2,572.4	2,418.3	2,458.7	2,623.0
Total Contributions	3,025.5	3,635.3	3,421.2	3,503.7	3,753.0
Provincial Operating Grant	31.4%	26.3%	29.3%	29.8%	30.1%
City's Operating Contribution	68.6%	73.7%	70.7%	70.2%	69.9%
Total Contributions	100.0%	100.0%	100.0%	100.0%	100.0%

The Province's contribution has dropped from the initial target of 50% to about 30% of the net operating cost of the program. Based on 2012 funding, it is projected that the Province's contribution will be about 30.1%. The City supported the move to a performance-based system for providing the operating grants. The concern however is that the level of provincial funding (as a portion of the net cost of the program) is declining over time due to funding for the program keeping pace with escalating costs. The level of funding for Regina is also adversely impacted if there is more rapid growth in the number of trips in other communities. While it is reasonable that communities with an increasing number of trips should receive additional funding, the additional funding should come from an increase in the total grant pool, not by reducing the provincial contribution per trip.

Other Grants

The total for other grants for 2012 is $943,000. The Province also provides transfers to the Regina Police Service. The transfers received by the Regina Police Service are included in the Fees and Charges section for Police. Other grants are conditional grants linked to specific projects or initiatives. Most of the grants are one-time grants that will not be received from year to year. Some of the grants, such as those for the Discounted Transit Pass Grant are programs that could continue for several years, although there is no specific commitment from the Province with respect to the timeframe for the grants.

Licenses, Levies and Fines

Operating Revenue Summary ($000's)

Revenue Source	2011 Budget	2011 Actual	**2012 Budget**	Budget Change Dollar Change	Budget Change Per Cent Change
Licenses					
Business Licenses	700.0	816.3	**730.0**	30.0	4.3
Animal Control and Impoundment	485.0	411.1	**485.0**	-	-
Taxi Licenses	40.0	47.9	**100.0**	60.0	150.0
Levies and Other Taxes					
Paved and Gravel Alley Special Tax	3,254.2	2,927.5	**3,686.9**	432.7	13.3
Amusement Tax	600.0	728.0	**650.0**	50.0	8.3
Fines					
Court Fines	3,100.0	3,462.2	**3,100.0**	-	-
Animal Fines	103.9	57.0	**103.9**	-	-
Impound Fees	20.0	17.1	**20.0**	-	-
Parking Tickets	1,625.0	1,564.9	**1,750.0**	125.0	7.7
Fire Bylaw Violations	25.0	26.7	**25.0**	-	-
Total	9,953.1	10,058.7	**10,650.8**	697.7	7.0

Business Licenses

The authority for licenses is Section 8 of *The Cities Act*. The majority of the licenses issued by the City are pursuant to *The Licensing Bylaw, 2007*.

The 2012 budget for business licenses is $730,000, an increase of $30,000 over the 2011 budget. City Council (Report CR06-88) approved a simplified structure for license fees effective January 1, 2007. The new structure established two license categories with a fee of $225 for a Resident Business License and $450 for a Non-Resident Business License. On an annual basis, about 3,400 licenses are issued.

The following table details the business license revenue (budget and actual) since 2008.

Business License Revenue ($000's)	**2008**	**2009**	**2010**	**2011**	**2012**
Budget	700.0	700.0	700.0	700.0	730.0
Actual	702.4	684.3	733.0	816.3	-
Variance	2.4	(15.7)	33.0	116.3	(730.0)

Animal Control

The 2012 budget for this program is $608,900, no change over 2011. City Council (Report CR07-163) approved an amendment of the Cat Control Bylaw, later repealed and consolidated as part of *The Regina Animal Bylaw, 2009*, to state that all cats must be licensed and an increase in animal fines, effective January 1, 2008. The revenue from animal licensing and animal fines is a source of funding for animal control and impoundment, with services provided under contract by the Regina Humane Society.

The following table details the animal control revenue (budget and actual) since 2008.

Animal Control Revenue ($000's)	2008	2009	2010	2011	2012
Budget	438.9	438.9	438.9	608.9	608.9
Actual	346.5	405.2	399.0	485.3	-
Variance	(92.4)	(33.7)	(39.9)	(123.6)	(608.9)

Paved and Gravel Alley Special Tax

Funding for maintenance and reconstruction of alleys is through a **Paved and Gravel Alley Special Tax** levied pursuant to Section 275 of *The Cities Act*. The special tax is levied against all properties that abut an alley and is billed in conjunction with property taxes.

The 2012 budget of $3,686,900 is an increase of $432,700 over the 2011 budget. The 2012 budget reflects an increase in labour, equipment and materials, along with a 22% administrative corporate overhead to be phased in over the next 3 years (2012 – 7%, 2013 – 7%, 2014 – 8%). As a result, 7% corporate overhead has been incorporated into the 2012 alley special tax rates. There is also deferred revenue collected in prior years that will be expended in 2011.

Full costs have not been charged to the program. Therefore, in order for the alley program to be fully funded by the property owners, additional costs will be identified and brought forward for consideration...

Since 2003, the revenue was collected through the special tax provisions of *The Cities Act*. Prior to 2003, the levy was assessed pursuant to provisions of *The Urban Municipality Act, 1984*. The following table details rates for alleys and lanes since 2007.

Assessable Rates	2007	2008	2009	2010	2011	2012
Paved and Upgraded Alleys	$2.28/ft.	$2.40/ft.	$2.64/ft.	$2.72/ft	$2.88/ft	$3.09/ft
Gravel Alleys	$1.48/ft.	$1.55/ft.	$1.66/ft.	$1.71/ft	$1.81/ft	$2.04/ft

The rate increase for 2012 is consistent with the direction adopted by City Council to enhance the maintenance of alleys. In 1996, an initiative was undertaken to evaluate the entire alley system. From the review, it was proposed that a 30-year reconstruction cycle be adopted for paved alleys and a 40-year reconstruction cycle for gravel alleys.

In order to implement this proposal the number of paved alleys reconstructed each year would be increased incrementally by four until 2005. The program would provide for reconstruction of approximately 45 paved alleys.

For gravel alleys, increased investment levels between 1996 and 2001, resulted in all alleys requiring completion of full block reconstruction. The 2001 evaluation confirmed the objectives of the strategy were met, however, adjustments to the maintenance program were warranted. The approved maintenance program involved blading four to five times during the construction season, spot gravelling, cleaning of catch basins, minor reconstruction, minor drainage improvements, and a systematic program of gravel refreshment. Continuation of the investment strategy ensured ten additional alleys/year would be refreshed until 2006 when a ten-year refreshment cycle was reached on a City wide basis. As well, minor reconstruction of alleys was reduced to the equivalent of approximately five locations/year.

If the special tax levy is not fully expended in the year levied for the intended purpose, the unspent amount of the levy is recognized as deferred revenue and taken into revenue only when it is expended on the intended purpose in the following year.

Amusement Tax

The authority for **amusement tax** is Section 279 of *The Cities Act*. Bylaw 2003-102, the Amusement Tax Bylaw, establishes the amusement tax rate and defines the nature of entertainment subject to the tax. Amusement tax is applicable to the sale of tickets for commercial movie theatres. The amusement tax is 10%, with one-tenth of the amount to be retained by the theatre as an administrative fee or commission for collecting the tax.

For 2012, the projected revenue from amusement tax is $650,000, an increase of $50,000 over the 2011 budget.

The administrative fee or commission for 2012 is $60,400.

The following table details the amusement tax revenue (budget and actual) since 2008.

Amusement Tax Revenue ($000's)	2008	2009	2010	2011	2012
Budget	600.0	600.0	600.0	600.0	650.0
Actual	611.9	730.3	733.1	728.0	-
Variance	11.9	130.3	133.1	128.0	(650.0)

Court Fines

The projected revenue from court fines for 2012 is $3,100,000, no change from the 2011 budget.

Court fines are received either through the Municipal Court or through traffic violations that result in payment through the provincial court system. The Regina Police Service issues tickets for infractions of *The Provincial Vehicles Act* and the City of Regina Traffic Bylaw.

The next table provides a summary of the budgeted and actual revenue from court fines since 2008 along with history on the number of traffic tickets issued and paid.

Court Fines Information	2008	2009	2010	2011	2012
Fine Revenue ($000's):					
Budget	2,750.0	2,750.0	3,100.0	3,100.0	3,100.0
Actual	3,364.1	3,187.4	3,256.5	3,462	-
Variance	614.1	437.4	156.5	362.2	(3,100.0)
Traffic Tickets:					
Tickets Issued	32,723	33,879	36,444	32,866	-
Tickets Paid	19,742	27,554	25,338	26,971	

While the Province administers and enforces the collection of tickets, they deduct from the fine revenue remitted to the City the following charges:

- A court security fee of $320,000 per year.
- An administration fee of 25% of the value of the tickets collected, plus the costs for credit and debit cards and collection agency fees. The total projected fine administration fee for 2012 is $775,000. Banking and collection agency fees for 2012 is $70,500.

Parking Fines

The projected revenue from parking fines for 2012 is $1,750,000, an increase of 125,000 over the 2011 budget.

The next table provides a summary of the parking fine revenue since 2008 along with information on the tickets issued and paid, and other related information. The introduction of an on-line payment option in April/2009 has been well received with a steady increase in the tickets collected via this method. As of August 2011, 40% of all parking fines were collected through this payment method.

Parking Ticket Information	2008	2009	2010	2011	2012
Parking Ticket Fines ($000's):					
Budget	1,525.0	1,525.0	1,625.0	1,625.0	1,750.0
Actual	1,315.1	1,606.5	1,445.1	1,564.9	-
Variance	(209.9)	81.5	(179.9)	(60.1)	(1,750.0)
Parking Tickets:					
Tickets Issued - City	60,783	68,239	68,482	65,526	-
Tickets Issued - Wascana/University	18,042	20,565	20,541	22,904	-
	78,825	88,804	89,023	88,430	-
Tickets Paid	66,741	76,669	75,707	75,278	-

Fire Bylaw Code Violations/Fines – Amendments to the Regina Fire Bylaw 2005-18 in 2010 provide for enhanced enforcement powers that permit the issuing of fines for failing to comply with regulatory requirements. The revenue for 2012 is projected to be $25,000.

Fees and Charges

Operating Revenue Summary ($000's)

				Budget Change	
Revenue Source ($000's)	2011 Budget	2011 Actual	**2012 Budget**	Dollar Change	Per Cent Change
City Operations	23,454.3	25,898.5	**26,912.9**	3,458.6	14.7
Community Planning & Development	10,220.1	12,745.5	**11,237.8**	1,017.7	10.0
Regina Police Service	6,580.9	7,919.4	**7,356.4**	775.5	11.8
Other Fees and Charges	2,270.9	2,782.6	**2,519.3**	248.4	10.9
Total	42,526.2	49,346.0	**48,026.4**	5,500.2	12.9

City Operations Fees and Charges

				Budget Change	
Revenue Source ($000's)	2011 Budget	2011 Actual	**2012 Budget**	Dollar Change	Per Cent Change
Solid Waste Collection	244.1	222.4	**230.0**	(14.1)	(5.8)
Landfill Fees	6,478.0	7,806.1	**8,635.0**	2,157.0	33.3
Allocated Landfill Charges	3,610.0	3,944.3	**3,932.5**	322.5	8.9
Recycling Revenues	200.0	228.8	**215.0**	15.0	7.5
Use/Encroachment Fees	45.0	35.2	**45.0**	-	-
Parking Fees	1,400.0	1,353.8	**1,400.0**	-	-
Other Public Works Revenues	421.1	225.6	**431.1**	10.0	2.4
Golf Courses	2,709.3	2,763.6	**3,490.1**	780.8	28.8
Cemeteries	880.6	911.4	**933.2**	52.6	6.0
Tree Planting and Maintenance	10.0	76.0	**10.0**	-	-
Other Parks and Open Space Revenue	39.5	69.1	**43.0**	3.5	8.9
Fire Suppression Fees	206.8	285.7	**216.1**	9.3	4.5
Other Fire and Protective Services Revenue	5.0	115.8	**5.0**	-	-
Transit Operations	6,798.3	7,419.5	**6,920.3**	122.0	1.8
Paratransit Services	406.6	441.2	**406.6**	-	-
Total	23,454.3	25,898.5	26,912.9	3,458.6	14.7

Landfill Fees

The 2012 budget for landfill fees is $8,635,000, an increase of $2,157,000 over 2011. This is due to an increase in the tipping fee at the scale as well as an expected increase in unit volumes.

In 2010, City Council (Report CR10-110) approved landfill rates per tonne for 2011 to 2013. The rates for 2011, 2012 and 2013 are $45.00, $55.00 and $65.00 respectively.

In 2003, City Council adopted a funding policy for the calculation of the transfer to the landfill reserve. The landfill and recycling revenues net of landfill and recycling operating costs are transferred to the Landfill Reserve to fund landfill capital costs. The landfill revenues used in the calculation of the transfer include the revenues from external customers. A financial model has been developed for the landfill operations, taking into account operating and capital costs for the landfill and recycling. Rates are established based on funding requirements for operating costs along with current and projected capital requirements. For 2012, this revenue increases to $8,635,000.
The following table details landfill revenue (budget and actual) since 2008:

Landfill Revenue ($000's)	2008	2009	2010	2011	2012
Budget	5,775.3	4,980.3	5,368.0	6,478.0	8,635.0
Actual	5,176.3	5,352.8	6,037.5	7,806.1	-
Variance	(599.0)	372.5	669.5	1,328.1	(8,635.0)

The solid waste residential collection program pay tipping fees as is done by other internal City clients via an internal allocation. This allocation is done at the tipping fee unit price that is the same as for all other users, internal and external.

Parking Meter Fees

The 2012 budget for parking meter revenues is $1,400,000, no change from 2011 budget. In 2003, City Council (CR03-113) approved, effective July 1, 2003, an increase in parking meter rates from $0.75 to $1.00 per hour. The increase was for regular meters. Loading zone meters are 50 cents for 15 minutes.

The following table details parking meter revenue (budget and actual) since 2008.

Parking Meter Revenue ($000's)	2008	2009	2010	2011	2012
Budget	1,340.0	1,340.0	1,400.0	1,400.0	1,400.0
Actual	1,406.0	1,447.4	1,388.4	1,353.8	-
Variance	66.0	107.4	(11.6)	(46.2)	(1,400.0)

Golf Course Revenue

The 2012 budget for golf course revenue is $3,490,100, an increase of $780,800 from the 2011 budget amount of $2,709,300.

Western Golf Management (WGM) has a three-year contract to operate the Joanne Goulet and Lakeview Golf Courses. This contract, approved by City Council in February, 2010, is in effect from 2010 through 2012. In addition to the annual base fee of $382,000, the City will receive 40% of all green fees collected.

WGM also has a 20-year contract (2002 – 2021) to operate the Murray and TorHill Golf Courses. The City receives an annual base fee along with 50% of all green fees collected. A three-year fee schedule for 2010-2012 was approved by City Council in February, 2010.

The following table details golf course revenue (budget and actual) since 2008.

Golf Course Revenue ($000's)	2008	2009	2010	2011	2012
Budget	2,473.6	2,590.6	2,664.7	2,709.3	3,490.1
Actual	2,590.8	2,717.5	2,819.8	2,763.6	-
Variance	117.2	126.9	155.1	54.3	(3,490.1)

Cemetery Revenue

The 2012 budget for Cemetery revenue is $933,200, an increase of $52,600 from the 2011 budget.

A proposed two-year fee schedule, effective January 1, 2012, and January 1, 2013 will incorporate fee increases of 7% in each of the two years. The proposed fee schedule is in line with fees charged by other municipally-operated cemeteries in Saskatchewan and Western Canada. New columbaria installed in 2010 and 2011 have attracted higher than normal sales of niches. Sales volumes of other products and services are expected to remain similar to 2011. Cemeteries are operated on a cost-recovery basis.

The following table details cemetery revenue (budget and actual) since 2008.

Cemetery Revenue ($000's)	2008	2009	2010	2011	2012
Budget	722.9	797.5	829.4	880.6	933.2
Actual	900.2	844.7	1,007.1	-	-
Variance	177.3	47.2	177.7	(880.6)	(933.2)

Fire Suppression Service Fees

The majority of the revenue is for fees pursuant to service agreements with the Rural Municipality of Sherwood and the Rural Municipality of Lumsden. The fees have two components:

- **Retainer Fee** – For each of the servicing agreements, an annual retainer fee is paid. The retainer fees were established when the initial agreements were negotiated. The fees increase each year by the greater of the percentage increase in the Consumer Price Index for the prior year or the capital and operating budgets. The following table has information on the historic fees charged and the projected retainer fees for 2012.

Fire Service Agreements Retainer Fee ($)	2008	2009	2010	2011	2012
Rural Municipality of Sherwood	76,899.0	80,283.0	82,771.0	84,179.0	87,041.0
Rural Municipality of Lumsden	10,333.0	10,787.0	11,122.0	11,311.0	11,695.0
Sakimay First Nation	552.0	577.0	594.0	605.0	625.0

- **Service Call Fee –** In addition to the retainer fee, a per incident charge is billed to the rural municipality. Revenues vary based on the number of service calls, the resources required, and the length of time for a call. The estimated revenue from service call fees in 2012 is $76,700.

  Other Fire suppression service fees are received from Saskatchewan Government Insurance for motor vehicle accidents and fires. The estimated revenue for 2012 is $40,000. Prior to 2009, the department also received payments from the Municipal Rescue Services Fund administered by SUMA for performing emergency services at vehicle accidents outside of the department's jurisdiction. The process changed in 2009 and all vehicle accident billings are processed directly through Saskatchewan Government Insurance.

Transit Fees and Charges

				Budget Change	
Revenue Source ($000's)	2011 Budget	2011 Actual	**2012 Budget**	Dollar Change	Per Cent Change
Transit Operations					
Cash Fares	1,760.0	1,715.4	**1,610.0**	(150.0)	(8.5)
Ticket Sales	1,120.0	1,190.0	**1,190.0**	70.0	6.3
Pass Sales	3,013.6	3,437.8	**3,255.4**	241.8	8.0
Senior Citizens Pass Sales	200.0	223.6	**180.0**	(20.0)	(10.0)
Advertising	440.0	500.9	**475.2**	35.2	8.0
Other Revenue	264.7	351.8	**209.7**	(55.0)	(20.8)
Paratransit Services					
Cash, Ticket and Pass Sales	278.0	275.7	**277.0**	(1.0)	(0.4)
Other Revenue	128.6	165.5	**129.6**	1.0	0.8
Total	7,204.9	**7,860.7**	**7,326.9**	122.0	1.7

The 2012 budget for Transit revenues is $7,326,900, an increase of $122,000 as compared to the 2011 budget. There is a grant from the Province of $520,000 for the discounted pass program, as well as a Paratransit grant of $1,130,000. These grants are shown in the Government Grants section.

The following table details transit revenues (budget and actual) since 2008.

Transit Revenues and Fares ($000's)	2008	2009	2010	2011	2012
Transit Operations Revenue:					
Budget	5,375.3	5,713.6	6,476.4	6,798.3	6,920.3
Actual	5,972.0	6,424.8	6,827.6	7,419.5	-
Variance	596.7	711.2	351.2	621.2	(6,920.3)
Paratransit Services Revenue:					
Budget	393.9	373.7	406.6	406.6	406.6
Actual	405.1	412.4	412.8	441.2	-
Variance	11.2	38.7	6.2	34.6	(406.6)
Transit Operations Rates (Effective Jan. 1):					
Cash Fares:					
Adult	2.10	2.25	2.50	2.50	2.50
Youth	1.60	1.75	2.00	2.00	2.00
Tickets (10 tickets):					
Adult	17.00	18.00	20.00	20.00	20.00
Youth	12.50	13.50	15.00	15.00	15.00
Bus Pass:					
Adult (monthly)	57.00	59.00	62.00	62.00	62.00
Post Secondary (monthly)	48.00	50.00	53.00	53.00	53.00
Youth (monthly)	42.00	44.00	47.00	47.00	47.00
Senior (semi-annual)	93.00	96.00	101.00	101.00	101.00
Senior (annual)	185.00	192.00	202.00	202.00	202.00
Discounted Pass (monthly)	15.00	20.00	20.00	20.00	20.00
Paratransit Services Rates (Effective July 1):					
Cash Fares	2.10	2.25	2.50	2.50	2.50
Tickets (10 Tickets)	21.00	18.00	20.00	20.00	20.00
Punch Pass (40 uses)	84.00	90.00	100.00	100.00	100.00

Community Planning & Development Fees and Charges

Revenue Source ($000's)	2011 Budget	2011 Actual	2012 Budget	Budget Change: Dollar Change	Budget Change: Per Cent Change
Planning & Sustainability					
Building Branch					
Building Permit Fees	2,919.2	3,732.7	**3,313.1**	393.9	13.5
Reports, Inspections, Certificates, Grade Fees	22.3	16.6	**22.3**	-	-
Other Revenue	18.0	62.8	**18.0**	-	-
Application Fees	470.0	292.0	**600.0**	130.0	27.7
Development Charges - Parks	-	-	**64.4**	64.4	100.0
Sign Permit Fees	33.0	57.9	**33.0**	-	-
Sale of Promotional Items, Maps, etc.	0.6	0.1	**0.6**	-	-
	3,463.1	4,162.1	**4,051.4**	588.3	100.0
Development Engineering					
Sale of Promotional Items, Maps, etc.	4.0	7.1	**4.0**	-	-
Develop Fees/Levies	500.0	715.0	**500.0**	-	-
SAF - Administration Fees	-	(0.9)	**195.1**	195.1	100.0
Allocated Surveying Costs	(204.6)	(287.6)	**(204.6)**	-	-
Municipal Access Fee	7.5	15.2	**7.5**	-	-
Licensing and Municipal Fines	6.6	7.2	**6.6**	-	-
Allocated Radio Repair Costs	-	-	**(3.0)**	(3.0)	100.0
	313.5	456.0	**505.6**	192.1	100.0
Assessment & Property Taxation					
Tax Certificate and Search Fees	140.0	124.9	**140.0**	-	-
Administration Charges	27.0	32.7	**27.0**	-	-
NSF Service Charge	16.0	15.0	**16.0**	-	-
Miscellaneous Revenue	35.0	26.5	**35.0**	-	-
	218.0	199.1	**218.0**	-	-
Community Services					
Northwest Leisure Centre	421.4	495.4	**453.0**	31.6	7.5
Sandra Schmirler Leisure Centre	819.2	891.0	**862.3**	43.1	5.3
Lawson Aquatic Centre	1,060.3	1,152.2	**1,062.0**	1.7	0.2
Fieldhouse	892.0	996.5	**892.9**	0.9	0.1
Outdoor Pools	127.2	194.1	**126.1**	(1.1)	(0.9)
Neil Balkwill Civic Arts Centre	202.7	219.3	**202.7**	-	-
Speed skating Oval	3.0	-	**2.0**	(1.0)	(33.3)
Outdoor ice	1.5	2.3	**1.0**	(0.5)	(33.3)
Athletic Fields	150.3	232.4	**194.3**	44.0	29.3
Mosaic Stadium	216.1	334.3	**238.1**	22.0	10.2
Leslie Lawn Bowling Greens	17.5	17.5	**17.5**	-	-
Tennis Courts	0.6	2.5	**0.8**	0.2	33.3
Douglas Park	5.0	5.3	**5.0**	-	-
Indoor Arenas	2,001.5	2,923.5	**2,096.6**	95.1	4.8
Rambler Park	40.0	(2.1)	**49.0**	9.0	22.5
Bylaw Enforcement	83.0	61.9	**83.0**	-	-
RRAP Inspection Fees	40.0	51.5	**40.0**	-	-
Other Revenue	10.0	160.0	**10.0**	-	-
Community & Social Development Services Facility Rentals	134.2	190.7	**126.5**	(7.7)	(5.7)
	6,225.5	7,928.3	**6,462.8**	237.3	3.8
Total	10,220.1	12,745.5	**11,237.8**	1,017.7	10.0

Building Permit Fees

The 2012 budget for building permit fees is $3,313,100, an increase of $393,900 from the 2011 budget. The 2012 budget for development application fees collected by the Planning and Sustainability Department are projected to be $600,000, an increase of $130,000 from the 2011 budget of $470,000. In 2011, the Planning and Sustainability Department completed a program and service review with BMA Management Consulting. In collaboration with industry stakeholders, the recommendations related service delivery, operating practices, and building permit and development planning fees were accepted. As part of the Planning and Sustainability Department Renewal Strategy, this review of fee-for-service activities was undertaken to ensure department operating practices and fees were aligned with customer service targets and full-cost accounting principles. Building permit and development application fees are now based on the principle of 100% cost recovery for all fee-for-service activities. Movement to full cost recovery supports the principle of growth paying for itself and will reduce the required amount of taxpayer dollars to fund the Planning and Sustainability Department. A risk to this approach is the natural fluctuation in the level of development activity and the potential to collect lower fee revenue than necessary to cover direct expenses. This will be mitigated by the establishment of a stabilization reserve in which surplus dollars will be directed when fee revenues exceed expenses and drawn from when fees do not fully cover expenses. The fee rates will be reviewed regularly to ensure that the fee revenue and level of service provided are appropriately matched.

Assessment and Taxation Fees

The 2012 budget for assessment and tax fees is $225,000 in total. The estimated revenue from tax certificates and search fees is $140,000. The fee for a tax certificate is $25. Included in the 2012 budget is an estimated $50,000 in fees paid by mortgage companies for taxation services. A variety of other miscellaneous fees account for the balance of the assessment and taxation fee revenue. Fees are established in Schedule B of Bylaw 2003-69.

Community Services Revenue

The following table details Community Services revenue (budget and actual) since 2008. The revenue includes the fees and charges for the Community Services Department, not including Indoor Arenas.

Community Services Revenues ($000's)	2008	2009	2010	2011	2012
Budget	3,613.4	3,392.7	3,833.4	3,966.8	4,116.7
Actual	4,144.3	4,117.0	4,228.5	4,601.3	-
Variance	530.9	724.3	395.1	634.5	(4,116.7)

A fees and charges strategy for 2011 for sport, culture and recreation services currently exists. The strategy is currently being reviewed and a new strategy is being developed.

Fees and charges are developed through a process that determines cost-recovery levels that aim to establish an acceptable balance between user fees and taxpayer subsidy. Where the community at large benefits from an individual's use of a program or service (for example, where a recreation activity is aimed at children and youth and focuses on water safety), a higher level of tax subsidy is deemed to be appropriate than when it is primarily the individual who benefits from the use of the program or service (for example, where the activity is aimed at adults developing specialized skills). This is referred to as a benefits-based approach to establishing cost recovery levels.

To reflect this approach, cost recovery levels at the City of Regina for services that are less specialized and targeted mostly at children and youth – including outdoor pools, athletic fields, and neighbourhood centres – are established between 20 to 25%, with the community as a whole sharing between 75 to 80% of the cost through tax subsidies. Cost recovery levels for services that are more specialized – such as fitness and aquatic facilities, arenas, and the Neil Balkwill Civic Arts Centre are established at between 50 to 60%, with the community as a whole subsidizing between 40 to 50% of the cost through tax subsidies. Where other service providers exist in Regina, as for fitness and aquatics services, rates reflect the market value for those services. This ensures that the City's provision of services at subsidized rates does not discourage other organizations from providing similar services in the marketplace.

The City also offers an Affordable Fun Program, which provides further subsidies for citizens who experience financial barriers to participation. Through this program, individuals who meet established criteria are able to purchase leisure passes and register in programs at a subsidized rate.

Arena Revenue

The 2012 budget for arena revenue is $2,096,600, an increase of $95,100 from the 2011 level of $2,001,500. As part of the City's partnership to provide the community with access to the multi-purpose arena facilities at Evraz Place, a three-year fees and charges strategy for arenas was developed, beginning with the 2010 winter season, generating an additional $300,000 per year.

The following table details arena revenue (budget and actual) since 2008.

Arena Revenue ($000's)	2008	2009	2010	2011	2012
Budget	1,306.8	1,306.8	1,611.7	2,001.5	2,096.6
Actual	1,380.5	1,381.3	2,234.2	2,923.5	-
Variance	73.7	74.5	622.5	922.0	(2,096.6)

Regina Police Service Fees and Charges

Revenues for the Regina Police increased by $775,500. The revenues are based on the 2012 budget of the Board of Police Comission to City Council. The revenues include grants from the Federal and Provincial Governments.

				Budget Change	
Revenue Source ($000's)	2011 Budget	2011 Actual	**2012 Budget**	Dollar Change	Per Cent Change
Provincial Programs					
SHOCAP	600.0	587.5	**600.0**	-	-
CFSEU	527.5	505.7	**515.0**	(12.5)	(2.4)
Enhanced Community Policing	1,900.0	1,975.0	**1,900.0**	-	-
Missing Person Task Force	100.0	85.0	**100.0**	-	-
Enhanced Investigative Policing	500.0	525.0	**500.0**	-	-
Internet Child Exploitation (ICE)	200.0	200.0	**200.0**	-	-
Provincial ICE Unit	-	156.6	**177.2**	177.2	-
Provincial ICE Operating Cost Recovery	-	47.8	**230.7**	230.7	-
CFSEU Operating Cost Recovery	84.3	125.8	**67.9**	(16.4)	(19.5)
Fraud Investigator - Social Services	100.0	99.3	**111.4**	11.4	11.4
Victim Services/Aboriginal Resource	214.5	219.8	**219.8**	5.3	2.5
SGI Initiatives	82.5	110.4	**102.5**	20.0	24.2
Sask 9-1-1 PSAP	846.8	917.3	**959.9**	113.1	13.4
	5,155.6	5,555.2	**5,684.4**	528.8	10.3
Federal Programs					
Integrated Proceeds of Crime	90.0	90.0	**90.0**	-	-
RIIU ACIIS Data Entry Clerk	23.2	-	-	(23.2)	(100.0)
Corrections Liaison Officer	94.2	95.7	**96.3**	2.1	2.2
NWEST - National Weapons Enforcement	112.7	122.5	**113.5**	0.8	0.7
Covert Management Unit	-	65.3	**120.0**	120.0	-
Victim Services Responder - RCJC	-	35.6	**59.0**	59.0	-
	320.1	409.1	**478.8**	158.7	49.6
Other Revenue					
Communication Technology Unit	382.3	506.8	**398.0**	15.7	4.1
Miscellaneous Revenue	629.1	1,055.4	**696.9**	67.8	10.8
Contributions	88.8	86.3	**93.3**	4.5	5.1
Cost Recoveries	5.0	6.6	**5.0**	-	-
	1,105.2	1,655.1	**1,193.2**	88.0	8.0
Total	6,580.9	7,619.4	**7,356.4**	775.5	11.8

Provincial Programs

- **SHOCAP** – Serious and Habitual Offender Comprehensive Action Plan Program. This program is funded by the Saskatchewan Provincial Government, Ministry of Corrections, Public Safety and Policing and funds six police officers to provide a strategy that integrates the resources of police, prosecutions, social services, corrections and other agencies to respond in an effective manner to serious and habitual offenders.

- **CFSEU** – Combined Forces Selective Enforcement Unit Program. This program is funded by the Saskatchewan Provincial Government, Ministry of Corrections, Public Safety and Policing and funds five police officers to provide a strategy for the resources of the Regina Police Service Serious Crime Task Force to conduct comprehensive investigations of individuals involved in or suspected of engaging in organized criminal activities.

- **Enhanced Community Policing** – This program is funded by the Saskatchewan Provincial Government, Ministry of Corrections, Public Safety and Policing and funds nineteen police officers to assist the Regina Police Service with its Neighbourhood Policing Program.

- **Missing Person Task Force** – This program is funded by the Saskatchewan Provincial Government, Ministry of Corrections, Public Safety and Policing and funds one police officer to investigate new and historic missing person cases.

- **Enhanced Investigative Policing** – This program is funded by the Saskatchewan Provincial Government, Ministry of Corrections, Public Safety and Policing and funds five police officers to investigate child sexual exploitation offences, street gangs, RIDU street team and graffiti investigator.

- **Internet Child Exploitation (ICE)** – This program is funded by the Saskatchewan Provincial Government, Ministry of Corrections, Public Safety and Policing and funds two police officers dedicated to the investigation of internet child exploitation files.

- **Provincial Internet Child Exploitation (ICE)** Unit – This program is funded by the Saskatchewan Provincial Government, Ministry of Corrections, Public Safety and Policing and funds one police officer to be the Provincial Coordinator to the investigation of internet child exploitation files and one half time civilian Administrative Assistant.

- **Provincial Internet Child Exploitation (ICE) Operating Cost Recovery** – This revenue is cost recovery for building leases, vehicle leases, computer hardware and software, utility expenses and office expenses of the Provincial ICE Unit.

- **CFSEU Operating Cost Recovery** – This revenue is cost recovery for building lease, utility expenses and vehicle lease expenses for CFSEU.

- **Fraud Investigator** – This program is funded by the Saskatchewan Provincial Government, Ministry of Social Services and funds one police officer to investigate fraud.

- **Victim Services** – This program is funded by the Saskatchewan Provincial Government, Ministry of Justice and funds two civilian employees to provide basic services to victims of crime and traumatic events including information, support, referral, accompaniment and advocacy.

- **Aboriginal Resource Program** – This program is funded by the Saskatchewan Provincial Government, Ministry of Justice and funds two civilian employees to provide basic services to aboriginal victims of crime and their families including information, support and referral. The program also reflects community interest/concerns as a focus for advocacy within the justice system on behalf of aboriginal victims of crime.

- **SGI Initiatives** – This program is funded by SGI and funds initiatives Overdrive and Heading Out. Overdrive program funds the cost to conduct road side check points to reduce the incidence of impaired driving and make the streets of Regina safer. Heading Out program funds high-visibility and stealth initiatives that deter aggressive driving and stunting as well as encourage compliance with vehicle equipment standards regulations.

- **Sask 9-1-1 PSAP** – This revenue is related to the provincial 9-1-1 system. The Regina Police Service is one of three PSAP's for Saskatchewan. This program funds 11 permanent and casual civilian employees.

Federal Programs

- **Integrated Proceeds of Crime (IPOC)** – This program is funded by the Government of Canada and funds one police officer to participate in a multi-organizational unit.

- **Corrections Liaison Officer** – This program is funded by Correctional Service of Canada (CSC) and funds one police officer to work closely with parole officers including monitoring the activities of higher-risk offenders; acting as a link with police and other relevant agencies in order to enhance information sharing; and engaging in activities related to reducing the number of unlawfully at large offenders.

- **NWEST** – National Weapons Enforcement Support Team – This program is funded by the RCMP and supports one police officer to work with the Firearms Support Services Directorate (FSSD).

- **Covert Management Unit** – This program is funded by the RCMP and supports one police officer to facilitate the use of undercover operations, development of human sources and witness protection.

- **Victim Services Responder – RCJC** – This program is funded by the Federal Government, Ministry of Justice and funds one civilian employee to enable timely victim service response.

Other Police Revenues

- **Communication Technology Unit** – This revenue is cost recovery and corresponds with the Communication Technology Unit (Radio Shop) Operating Budget – 9310-P455. Revenues are received by charging the users (City of Regina, Regina Police Service and some external users) of the trunked radio system and are managed by the Radio Management Committee.

- **Miscellaneous Revenues** – This revenue includes pre-employment criminal record checks, letters of conduct, special duty, Treaty 4 Citizens Police Academy and other general revenue.

- **Contributions** – This revenue includes partial funding for one police officer to provide the services of Liaison Officer for the University of Regina and revenue from the Public and Separate School Boards for the School Resource Officer Program.

- **Cost Recoveries** – This revenue is cost recovery and represents the actual cost of administering the Sigma test to all police and communications officer applicants.

Other Fees and Charges

Revenue Source ($000's)	2011 Budget	2011 Actual	2012 Budget	Budget Change Dollar Change	 Per Cent Change
Council and Committees					
Board of Revision Fees	30.0	74.5	**30.0**	-	-
Development Appeals Fees	4.0	3.3	**3.5**	(0.5)	(12.5)
Other Revenue	0.2	-	-	(0.2)	(100.0)
	34.2	77.8	**33.5**	(0.7)	(2.0)
Governance and Strategy					
Communications	4.0	20.7	**4.0**	-	-
City Solicitor	-	157.7	-	-	-
City Clerk	0.4	0.5	**279.8**	279.4	100.0
Corporate Events	-	122.1	-	-	-
Other Revenue	-	8.0	-	-	-
	4.4	309.0	**283.8**	279.4	100.0
Corporate Services					
Auction and Salvage	459.0	500.9	**36.5**	(422.5)	(92.0)
Towing & Vehicle Storage	-	-	**422.5**	422.5	-
Employee Parking	434.8	447.5	**434.8**	-	-
Facility Operating Agreements	9.0	77.9	**9.0**	-	-
Facility Charges - Sunset Library	78.1	89.1	**92.4**	14.3	18.3
False Alarm Fees	57.9	53.3	**57.9**	-	-
Claims Revenue re: Vandalism	5.0	6.6	**5.0**	-	-
Corporate Overhead Charge	746.6	595.1	**658.1**	(88.5)	(11.9)
Other Revenue	44.7	188.8	**49.2**	4.5	10.1
	1,835.1	1,959.2	**1,765.4**	(69.7)	(3.8)
Saskatchewan Lotteries Grant	397.2	236.6	**236.6**	(160.6)	(40.4)
Urban Aboriginal Grant	-	200.0	**200.0**	200.0	100.0
	397.2	436.6	**436.6**	39.4	9.9
Total	2,270.9	2,782.6	**2,519.3**	248.4	10.9

Board of Revision Fees

The Board hears appeals and makes decisions with respect to local improvements and property assessment appeals in accordance with *The Local Improvements Act, 1993* and *The Cities Act*. There are nine citizen members on the Board. The fees established by City Council in Bylaw 2003-69, pursuant to the authority in Section 196 of *The Cities Act*, are:

- $30.00 for each single family residential property.
- $30.00 per condominium unit.
- For all other properties, $150.00 for properties with a fair value assessment of up to $499,999. For properties with a fair value assessment of $500,000 to $1,000,000, the fee is $500.00 and for properties with a fair value assessment over $1,000,000, the fee is $750.00.

Fees are refundable if the appeal is successful. There are typically a substantial number of appeals in a reassessment year, with fewer appeals in the years following a reassessment.

Development Appeals Fees

The Development Appeals Board hears and considers appeals to zoning regulations. It carries the duties and powers as set forth in Bylaw 9250 and section 92 of *The Planning and Development Act, 2007*. There are five citizen members on the Board. The appeal fee is $50.00.

False Alarm Fees

Based on a recommendation from The Board of Police Commissioners, City Council passed Bylaw 2004-24, providing for false alarm fees of $75 for the third and fourth false alarm within a one year period. The Regina Police Service administers the alarm bylaw, but the fees are billed through the Financial Services Department.

Other Revenues

Operating Revenue Summary ($000's)

Revenue Source	2011 Budget	2011 Actual	**2012 Budget**	Budget Change Dollar Change	Budget Change Per Cent Change
Electrical Distribution	29,556.6	30,060.8	**28,500.0**	(1,056.6)	(3.6)
Gas Distribution	5,398.5	6,644.6	**6,800.0**	1,401.5	26.0
Interest	5,066.2	6,907.2	**8,319.0**	3,252.8	64.2
Gain on Sale of Bonds	-	7,069.5	**-**	-	-
Tax Penalties	975.0	1,010.8	**975.0**	-	-
Local Improvement Interest	75.0	57.1	**75.0**	-	-
Land Sales	-	782.2	**-**	-	-
Sask Housing	-	4,000.0	**-**	-	-
Interfund Transfers					
Utility Surplus Transfer	6,376.9	6,376.9	**6,881.2**	504.3	7.9
Utility Administration	3,853.4	3,853.4	**4,350.3**	496.9	12.9
Pension and Benefits Administration	73.9	34.3	**73.9**	-	-
Buffalo Pound Water Admin. Board	29.1	29.1	**29.1**	-	-
Transfers from Reserves					
General Fund Reserve	75.0	2,809.4	**1,783.6**	1,708.6	2,278.1
Landfill Reserve	-	-	**200.0**	200.0	100.0
Employee Provided Parking Reserve	-	-	**44.0**	44.0	100.0
Regina Grants Reserve	-	128.3	**-**	-	-
Social Development Reserve	-	538.1	**-**	-	-
Total	51,479.6	70,301.7	**58,031.1**	6,551.5	2,585.5

Electrical Distribution Revenue

The City receives from SaskPower a 10% municipal surcharge that is added to a customer's bill, and 5% of the SaskPower revenues within the city limits (called a payment in lieu of taxes).

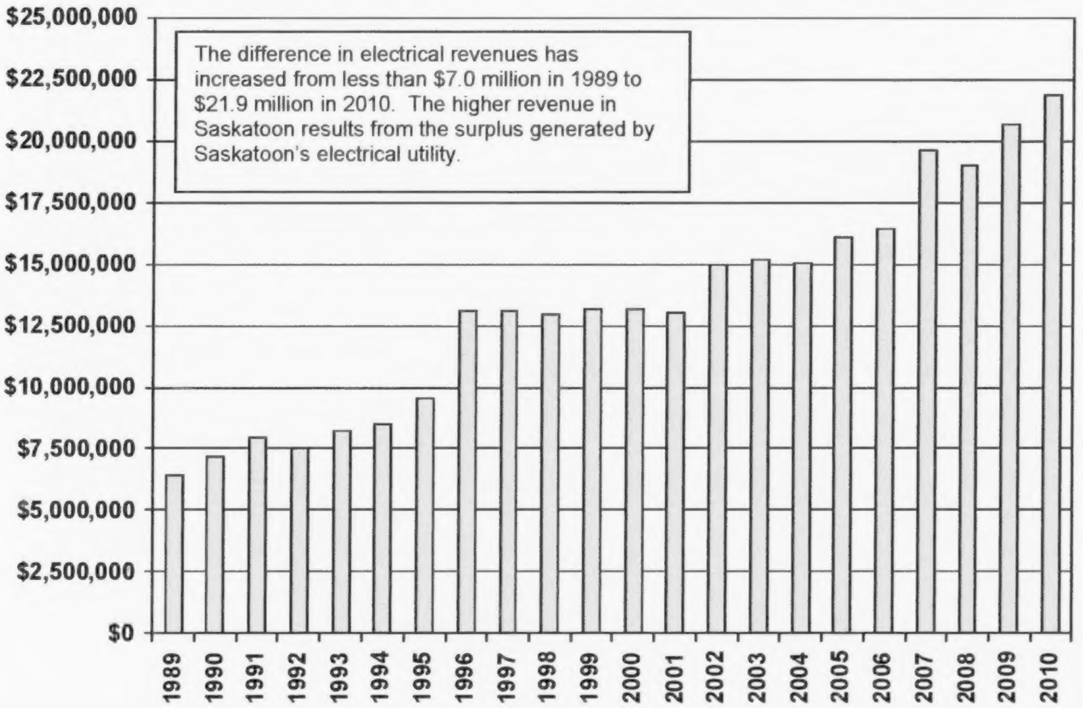
The projected revenue for 2012 is $28,500,000, a decrease of $1,056,600 or 3.6% over the 2011 budget. The 2012 revenue budget is based on a five-year average of the revenue received from SaskPower, after adjusting for rate changes over the five-year period.

The following table details the electrical revenue (budget and actual) since 2008.

Electrical Revenue ($000's)	**2008**	**2009**	**2010**	**2011**	**2012**
Budget	24,600.0	26,103.5	28,261.5	29,556.6	28,500.0
Actual	25,428.9	27,110.3	28,632.9	30,060.8	-
Variance	828.9	1,006.8	371.4	504.2	(28,500.0)

Electrical revenue is the major difference in the revenue available to Regina and Saskatoon. The next graph highlights the **difference** in electrical revenues in the two cities since 1989.

Difference in Electrical Revenues – Regina and Saskatoon



The difference in electrical revenues has increased from less than $7.0 million in 1989 to $21.9 million in 2010. The higher revenue in Saskatoon results from the surplus generated by Saskatoon's electrical utility.

Natural Gas Distribution Revenue

The City receives revenues from SaskEnergy and its subsidiary TransGas on the consumption of natural gas. For SaskEnergy, there is a 5% surcharge (payment in lieu of taxes) that is added to a customer's bill. For customers who do not purchase natural gas from SaskEnergy, but purchase from another supplier, TransGas delivers the natural gas and bills for the transportation cost. TransGas also collects a 5% payment in lieu of tax that is paid to the City. The amount is calculated on the costs of transportation, plus a deemed cost of gas calculated in accordance with regulations. In calculating the deemed cost of gas, the average cost of gas as determined by Saskatchewan Industry and Resources is used.

The TransGas payments with respect to the consumption by Consumers' Co-operative Refineries Limited (CCRL) and Newgrade Energy Inc. (NEI) are subject to an agreement dated October 3, 2000. The agreement was linked to the expansion of the refinery. Prior to the agreement taking effect, the payments from CCRL and NEI for direct purchases of natural gas was calculated on the total amount of natural gas purchased. The companies use natural gas for fuel (fuel stock) and in the production process (feedstock). The agreement provided that once the expansion was operational, natural gas used as feedstock would be eliminated from the calculation of the amount paid to the City, subject to a base amount. The payment to the City will be the greater of an average annual amount of $1,162,050 or the amount due on natural gas used as fuel.

The projected revenue for 2012 is $6,800,000, an increase of $1,401,500 or 26.0% over the 2011 budget. Assumptions used to generate the 2012 revenue budget are:

- The projected revenue from SaskEnergy is based on a five-year average, with the revenues over the five years adjusted for rate changes.
- The TransGas payment with respect to the consumption of natural gas by Consumers' Co-operative Refineries Limited and Newgrade Energy Inc. is based on the terms of the agreement, projected natural gas volumes provided by the two companies, and the average deemed cost of gas. Changes in the volume of fuel stock and/or the deemed cost of gas will affect the actual revenue received, subject to the base amount in the agreement.

The following table details the gas revenue (budget and actual) since 2008.

Gas Revenue ($000's)	2008	2009	2010	2011	2012
Budget	8,401.4	10,013.5	8,655.0	5,398.5	6,800.0
Actual	9,316.0	8,532.1	6,875.1	6,644.6	-
Variance	914.6	(1,481.4)	(1,779.9)	1,246.1	(6,800.0)

There have been substantial variances between the revenue budget and actual revenue. The variances are for the most part related to the payments for direct purchase customers. Variability in the deemed cost of gas is the major factor. CCRL gas rates decreased over 50% from last year's pricing.

The following table details the deemed cost of gas since 2006 used in the calculation of the payments in lieu of taxes for direct purchase customers. In addition to the deemed cost of gas, there is an amount added to the deemed cost pursuant to regulations. The amount for 2008 was 13.3 cents per GJ from January to August and 13.0 cents per GJ from September to December.

Deemed Cost of Gas ($ per GJ)	2006	2007	2008	2009	2010	2011
January	10.853	7.086	6.278	6.258	4.671	3.539
February	9.658	6.627	6.678	5.737	5.186	3.652
March	7.340	6.814	7.189	4.812	5.041	3.619
April	6.340	7.130	7.728	4.028	4.259	3.366
May	6.092	6.732	8.495	3.395	3.724	3.460
June	5.704	6.299	9.168	3.114	3.488	3.482
July	5.356	6.015	9.400	3.102	3.546	3.670
August	5.413	5.159	9.940	2.967	3.606	3.578
September	5.778	5.778	7.662	2.740	3.340	3.431
October	5.108	5.108	6.548	2.471	3.174	3.401
November	4.782	4.782	5.916	3.094	3.282	3.259
December	6.747	6.747	6.328	4.082	3.238	

Interest

Interest earnings are a combination of earnings on daily bank balances, short-term investments in a money market fund, and revenue from funds held in a long-term bond fund. The projected interest revenue is subject to change due to changes in cash balances and/or interest rates. It also includes earnings in the form of gains on the sale of bonds which, due to their nature, cannot be forecast in advance. **The 2012 budget for interest earnings is $8,319,000, an increase of $3,252,900 over the 2011 budget**.

The following table details the interest revenue (budget and actual) since 2008.

Interest Revenue ($000's)	2008	2009	2010	2011	2012
Budget	4,532.3	3,066.1	5,066.1	5,066.1	8,319.0
Actual	5,869.8	7,680.9	10,948.2	6,907.2	-
Variance	1,337.5	4,614.8	5,882.1	1,841.1	(8,319.0)

Tax Penalties

Tax penalties are applicable to current taxes that are not paid by June 30 each year and tax arrears. The exception for current taxes is where a property owner is paying taxes through the TIPPS program. The penalty rate for current taxes is 1.25% per month, with a rate of 1.5% per month for tax arrears.

The 2012 budget for tax penalties is $975,000, the same as the 2011 budget. Penalties for current taxes have decreased in recent years as more customers (both residential and non-residential) make use of the monthly tax payment program (TIPPS) and as tax arrears decline. The following table details the tax penalty revenue (budget and actual) since 2008.

Tax Penalty Revenue ($000's)	2008	2009	2010	2011	2012
Budget	1,265.0	1,165.0	975.0	975.0	975.0
Actual	977.2	962.0	991.9	1,010.8	-
Variance	(287.8)	(203.0)	16.9	35.8	(975.0)

Water and Sewer Utility Transfers

Transfers from the Water and Sewer Utility include:

- A Transfer to the General Operating Fund, and
- A Utility Administration Charge.

The **Transfer to General Operating Fund** is calculated based on 7.5% of the previous years budgeted revenues from billed water consumption, wastewater charges and drainage infrastructure levy and the amount of $675,000, estimated to be 3/7ths of the GST rebate received by the Utility. This amount is the additional rebate provided by the Federal Government starting in 2004.

The **Utility Administration Charge** is calculated as 5% of the budgeted utility revenues for the prior year. Most corporate functions (City Council, Committees, City Manager, Human Resources, City Solicitor's Office, City Clerk's Office, Accounting, Budgeting, and Purchasing) are involved in issues or activity related to the Water and Sewer Utility. The percentage transfer is used in lieu of a more detailed cost allocation process. A more detailed process would still involve arbitrary decisions, and would significantly increase the effort and hence cost required as compared to the current policy. The amount of the charge is intended to be an approximate measure of the extent that these corporate costs are attributable to the utility.

For 2012, the utility transfers are $11,231,500, an increase of $1,001,200 over the transfers in 2011. The next table provides details on the utility transfers since 2008.

Water & Sewer Utility Transfers ($000's)	**2008**	**2009**	**2010**	**2011**	**2012**
Transfer to the General Operating Fund					
Base Utility Transfer	4,355.4	4,761.3	5,198.9	5,701.9	6,206.2
GST Rebate Transfer	675.0	675.0	675.0	675.0	675.0
Total Transfer to General Operating	5,030.4	5,436.3	5,873.9	6,376.9	6,881.2
Utility Administration Charge Transfer	3,231.8	3,519.5	3,519.5	3,853.4	4,350.3
Total Transfers	8,262.2	8,955.8	9,393.4	10,230.3	11,231.5

Transfers From Reserves

At 2012 year end, the General Fund Reserve has a budgeted balance of $27.9 million.
The General Fund Reserve is the primary general-purpose reserve maintained by the City. The major sources of transfers to the reserve are the operating surplus and unexpended capital funds that are returned to the reserve. Future inflows to the General Fund Reserve may be reduced by transferring operating surpluses to the Asset Revitalization Reserve and by using previous year's surplus to fund current year one-time operating expenditures. A General Fund Reserve balance of $12.5 million to $25 million representing 5% to 10% of budgeted revenues is the suggested preferred minimum balance.
The following table provides a projection for the General Fund Reserve.

General Fund Reserve ($000's)

	2012	2013	2014	2015	2016
Reserve Balance - Start of Year	35,946	27,355	27,355	27,355	27,355
General Operating Budget:					
City Hall Security Upgrades	(1,520)	-	-	-	-
Transfer to Social Development Reserve	(10)	-	-	-	-
Globe Theatre	(50)	-	-	-	-
Fire Fighter Arbitration - Back Pay[1]	(4,684)	-	-	-	-
National Infrastructure Summit	(370)	-	-	-	-
Kramer IMAX Theatre	(100)	-	-	-	-
Property Purchase - Saskatchewan Drive	(22)	-	-	-	-
2012 One-Time Operating Requirements	(1,785)	-	-	-	-
Funding Required for Capital Program:					
Multiuse Pathway	(50)	-	-	-	-
Reserve Balance - End of Year	27,355	27,355	27,355	27,355	27,355
Assessment Appeal Risk[2]	-	-	-	-	-
Adjusted Reserve Balance	27,355	27,355	27,355	27,355	27,355

Note:

1. *Fire Fighter Arbitration - The collective agreement for the Regina Professional Firefighters Association expired at the end of 2009 and new agreement has not been reached.This amount represents an estimate Back Pay.*
2. *Assessment Appeal Risk -No provision has been made in the 2012 General Operating Budget for the cost of lost assessment appeals arising from the 2012 Assessment Roll. If the cost of lost assessment appeals causes a deficit in the 2012 fiscal year, then that deficit must be eliminated by a transfer from the General Fund Reserve to the General Operations Fund. The current maximum appeal risk is estimated at $1.9 million*

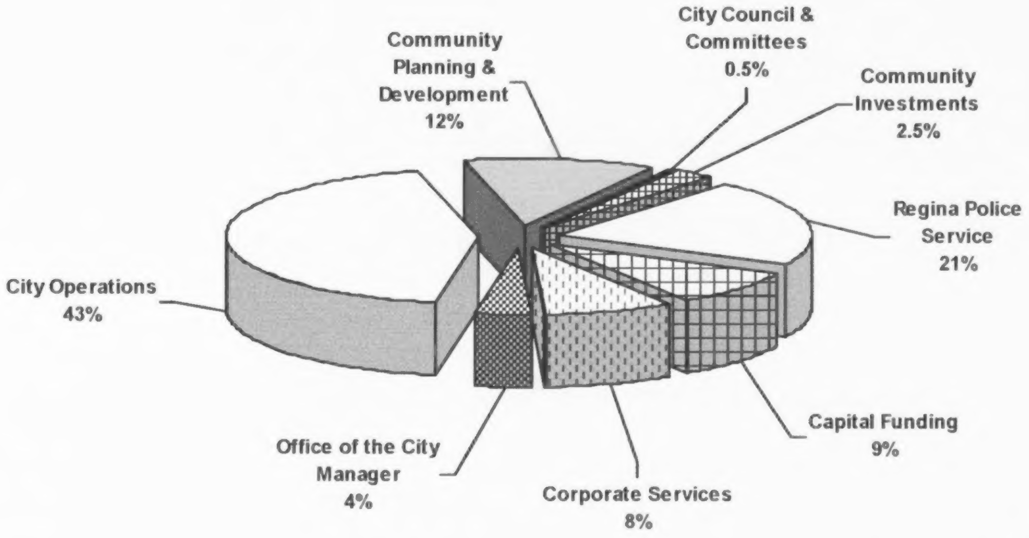
General Operating Expenditures

General Operating Expenditures

Operating Expenditure Summary ($000's)

Expenditures	2011 Budget	2011 Actual	**2012 Budget**	Budget Change Dollar Change	Budget Change Per Cent Change
City Council and Committees	1,515.0	1,368.7	**1,520.4**	5.4	0.4
Community Investments	6,799.6	6,814.1	**7,831.0**	1,031.4	15.2
Office of the City Manager	8,968.6	9,151.0	**11,018.1**	2,049.5	22.9
City Operations	124,879.4	128,800.4	**136,040.7**	11,161.3	8.9
Corporate Services	25,280.0	40,384.5	**25,856.1**	576.1	2.3
Community Planning & Development	36,598.9	42,196.8	**38,007.5**	1,408.6	3.8
Civic Operating Subtotal	204,041.5	228,715.5	**220,273.8**	16,232.3	8.0
Capital Funding	20,189.0	18,647.7	**26,570.3**	6,381.3	31.6
Regina Police Service	62,794.0	63,847.4	**65,733.6**	2,939.6	4.7
Total	287,024.5	311,210.6	**312,577.7**	25,553.2	8.9

2012 Operating Expenditures



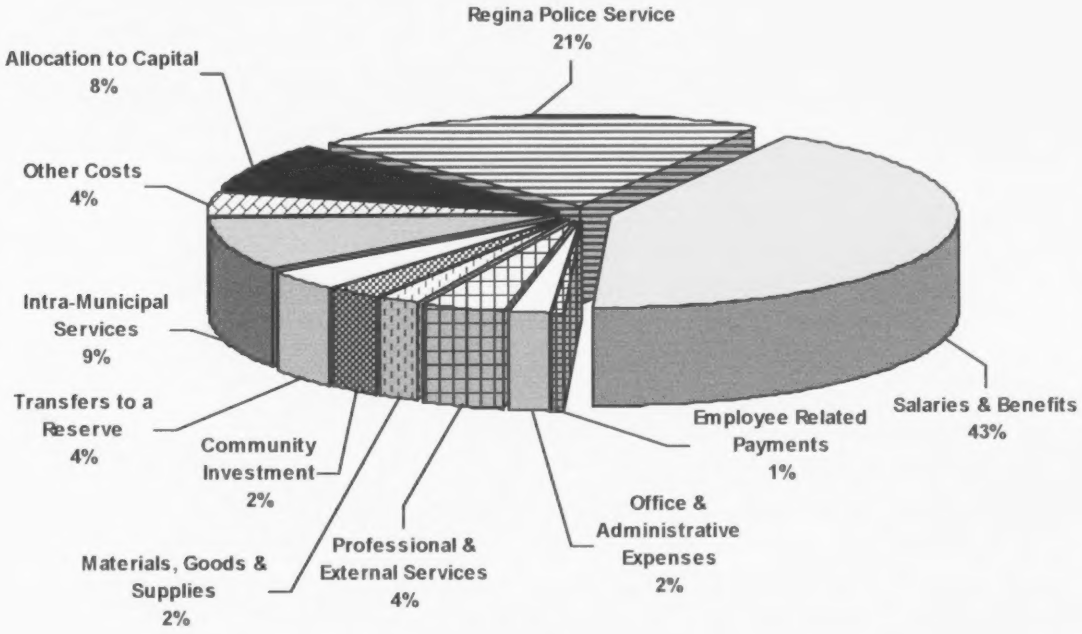
Operating Expenditure Summary ($000's) by Type of Expenditure

Expenditures	2011 Budget	2011 Actual	**2012 Budget**	Budget Change Dollar Change	 Per Cent Change
Salaries & Benefits[1]	128,761.5	127,030.7	**133,093.0**	4,331.5	3.4
Employee Related Payments	1,254.0	1,167.3	**1,257.7**	3.7	0.3
Office & Administrative Expenses	5,305.9	5,641.9	**5,733.7**	427.8	8.1
Professional & External Services	11,426.0	11,917.1	**12,514.2**	1,088.2	9.5
Materials, Goods & Supplies[1]	9,876.8	10,099.0	**6,022.7**	(3,854.1)	(39.0)
Community Investment	6,782.1	7,102.4	**7,813.5**	1,031.4	15.2
Other Costs	12,555.2	15,696.2	**12,717.0**	161.8	1.3
Intra-Municipal Services[1]	21,530.0	21,517.0	**29,642.1**	8,112.1	37.7
Civic Operating Costs	197,491.5	200,171.6	**208,793.9**	11,302.4	5.7
Transfers to Reserves	6,550.0	28,543.9	**11,544.9**	4,994.9	76.3
Regina Police Service	62,794.0	63,847.4	**65,733.6**	2,939.6	4.7
Total Operating Costs	266,835.5	292,562.9	**286,072.4**	19,236.9	7.2
Allocation to Capital	20,189.0	18,647.7	**26,505.3**	6,316.3	31.3
Total Expenditures	287,024.5	311,210.6	**312,577.7**	25,553.2	8.9

Note:

1. As part of the City's Fleet Centralization program, $2,472,300 in salaries and benefits and $4,640,100 in materials, goods and supplies were moved to the Fleet Services budget. This transfer results in an increase to the Intra-Municipal Services expenditure category of $7,112,400.

2012 Operating Expenditures
(thousands of dollars)



Why Have Expenditures Increased?

The increase in expenditures (2012 budget to 2011 budget) is about $25.5 million, or an increase of 8.9%. Details of the increase are provided in the next table and the discussion that follows.

Summary of Expenditure Increases – 2011 to 2012

	Amount of Increase		Per Cent Increase
Salaries and Benefits:			
City Council	3,300		
Office of the City Manager	(18,300)		
Corporate Services	516,800		
City Operations[1]	1,443,200		
Planning & Development	140,100		
Public Works	917,900		
Subtotal		3,003,000	
One-time and Ongoing			
2012 One-time and Ongoing	5,627,300		
Delete 2011 One-time Investments	(2,874,846)		
Subtotal		2,752,454	
Uncontrollable Price Increases	619,400	619,400	
Operating Expenditure Changes:			
Employee Related Payments	(4,300)		
Office & Administrative Expenses	310,100		
Professional & External Services	(97,100)		
Materials, Goods & Supplies[1]	(4,167,500)		
Community Investment	941,400		
Other Costs	(308,000)		
Intra-Municipal Services[1]	8,021,800		
Subtotal		4,696,400	
Civic Operating Increase		11,071,254	5.1%
Transfers to Reserves		5,226,100	
Regina Police Service Budget Increase	3,303,900		
Parking Enforcement Cost Transferred to Civic	(364,300)		
		2,939,600	
Total Operating Increase		19,236,954	7.2%
Allocation to Capital			
Current Contribution to Capital	6,481,800		
Debt Costs	(165,500)		
Subtotal		6,316,300	
Total Increase - 2011 to 2012		25,553,254	8.9%

Note:

1. *As part of the City's Fleet Centralization program, $2,472,300 in salaries and benefits and $4,640,100 in materials, goods and supplies were moved to the Fleet Services budget. This transfer results in an increase to the Intra-Municipal Services expenditure category of $7,112,400.*

In developing the budget, increases in expenditures must be substantiated.

Salary and Benefits

The increase in the civic portion of the budget for salaries and benefits of about $4.3 million is projected based on:

- The collective agreement for all civic unions (CUPE Local 7, CUPE Local 21, Amalgamated Transit Union Local 588, Civic Middle Management, and the Regina Professional Firefighters Association, Local no 181, International Association of Firefighters) expired at the end of 2009. In 2010, new agreements were reached with all civic unions except the Regina Professional Firefighters Association.
- The City is facing the same impacts as other employers from the shortage of labour resulting from demographic trends and the economic growth in Western Canada.
- Salary and benefit costs have increased in part due to merit increases provided in collective agreements and classification changes.

The next table provides a summary of the staff complement reflected in the General Operating Budget for 2011 and 2012.

The staff complement in the table does not include positions funded through other budgets, including the Water and Sewer Utility Budget, the Costing Fund Budget or the General Capital Budget.

General Operating Budget Staff Complement (FTE's)

	2011			2012			
Department	**Permanent**	**Casual**	**Total**	**Permanent**	**Casual**	**Total**	**Change**
Civic Administration							
City Council & Committee	6.0	-	**6.0**	6.0	-	**6.0**	-
Office of the City Manager	66.0	0.1	**66.1**	66.0	3.1	**69.1**	3.0
Corporate Services	277.1	18.6	**295.7**	278.4	18.6	**296.9**	1.3
Community Planning & Development	236.5	65.1	**301.6**	240.5	65.1	**305.6**	4.0
City Operations[1]	860.3	188.0	**1,048.3**	824.3	199.0	**1,023.3**	(25.1)
Civic Total	1,445.9	271.8	**1,717.7**	1,415.2	285.7	**1,700.9**	(16.8)
Regina Police Service	536.0	22.0	**558.0**	538.0	21.5	**559.5**	1.5
Total	1,981.9	293.8	**2,275.7**	1,953.2	307.2	**2,260.4**	(15.3)

Note:

1. As a part of the City's Fleet Centralization program, 37 FTE have been moved from the General Operating fund to the Costing fund.

The changes in the staff complement for the Civic Administration include:

In the Office of the City Manager, the changes are as follows:

- An addition of 3.0 term FTE in order to cover the increased workload created by the 2012 Municipal and School Board General Elections. This is a legislated program that occurs every three years, (four years following the 2012 Election pending legislative changes)
- An addition of a Business & Performance Support Strategist. (1.0 Permanent FTE) This position is fully funded by reallocation of existing funds within the Corporation.

In City Operations the changes are as follows:

- An addition of 1.22 Casual FTE to support the level of service outlined in the current winter maintenance policy.
- An addition of 2.0 Equipment Operator III's (2.0 Permanent FTE) by reducing 3.24 casual FTE within Asphalt Services and Winter Road Maintenance to support the growth in the City.
- An addition of 0.82 Casual FTE to maintain the current service level and continue to provide a safe and trafficable local road network.
- An addition of 0.23 Casual FTE for Residential Collection due to City growth creating an increase in solid waste garbage collection.
- An addition of 0.31 Casual FTE for Street Maintenance due to an increase to the road network of 10 km from new subdivision development.
- An addition of a Horticulture Technician (1.0 Permanent FTE) by conversion of a funded, vacant permanent Forester II position.
- An addition of 2.6 Casual FTE to maintain the new parks and open space which will be added to the inventory in 2012, as a result of new subdivision development or park upgrades.
- An addition of a Bus Operator (1.0 Permanent FTE) to provide service to the Harbour Landing area.
- An addition of 2.6 Casual FTE to maintain the Mosquito Control Program.
- An Addition of 3.0 term FTE in order to cover the increased workload created by Reassessment 2012. Legislation requires a reassessment every four years, and with the last reassessment in 2009, there is a requirement for a reassessment in 2013. The goal of the Administration is to mail the 2013 assessment notices in the fall of 2012. The early release allows for a more complete discussion of tax policy options and advances the timing of assessment appeals.

In Corporate Services, the changes are as follows:

- An addition of a Safety Consultant (1.0 Permanent FTE) to maintain the current level of support and safety management required in the organization and begin to improve it.
- An addition of 0.2 Permanent FTE to provide maintenance on the new fire station after the warranty period ends to ensure it delivers required level of service.
- An addition of 0.1 Permanent FTE to provide maintenance of Leibel field turf lights, fencing, goalposts, etc and Ladies Softball Diamond lights at the Douglas Park complex.

In Community Planning & Development, the changes are as follows:

- An addition of a Landscape Design Technologist (1.0 FTE) to administer the landscape plan review and approval process, which is part of the servicing agreement requirements of new subdivisions. This expenditure is fully offset by SAF.
- An addition of a Parking Enforcement Coordinator (1.0 Permanent FTE).This position would provide day to day direction to the commissionaires as well as manage enforcement requests from City Council, other divisions, the public etc.
- An addition of 2.0 Permanent FTE's in order to cover the increased workload created by Taxi Study. These costs are offset by an increase in taxi licensing revenue and through reallocation of existing funds.
- As addition for one year only of 0.21 Casual FTE for the operation of the Rambler Park.

Ongoing and One-time Investments

The net increase in the 2012 expenditure budget attributable to 2012 ongoing and one-time investments totals $4,343,225. Ongoing investments refer to additions to the base budget that will also be required for future years. One-time investments refer to one-time requirements for the 2012 budget only. The ongoing and one-time investments are described in further detail in the divisional operating expenditure summaries in the following sections.

The total cost of ongoing investments is $2,575,900, which is partially offset by an increase in revenue of $327,900. The cost of one-time investments is $4,457,550, which is partially offset by an increase in revenue of $2,362,325. These investments align with City Council's Vision and the Corporate Strategic Plan.

One-time investments included in the budget funded entirely by external parties include:

- $35,000 for the Urban Aboriginal Leadership Program and $2,000 for the Crime Prevention Week

The total cost of these items is $37,000 and corresponding revenue has been included in the 2012 budget.

City Council and Committees

Overview

City Council is responsible for the governance of the City of Regina, subject to Provincial legislation. Members of City Council are elected every three years in a municipal election. As per changes in provincial legislation, municipal elections will be held every four years commencing with the 2012 election. The last election was October 28, 2009. The Mayor is elected at large. The City of Regina uses a ward system for electing Councillors, with the city divided into ten wards and one Councillor elected in each ward. City Council establishes policies and budgets for the programs and services delivered by the City of Regina. City Council and Committees includes the budgets for:

- The Mayor's Office
- City Council, including the remuneration of the Councillors, the Councillors' travel and communication allowance, support services and other costs related to City Council
- Committees established by City Council
- Memberships in various organizations, including the Saskatchewan Urban Municipalities Association and the Federation of Canadian Municipalities

Operating Expenditure Summary ($000's)

				Budget Change	
Expenditures	2011 Budget	2011 Actual	**2012 Budget**	Dollar Change	Per Cent Change
Mayor's Office[1]	645.7	589.5	**651.8**	6.1	0.9
City Council[1]	570.7	562.8	**565.5**	(5.2)	(0.9)
Committees	158.0	105.9	**162.4**	4.4	2.8
Corporate Memberships	120.0	100.6	**120.0**	-	-
Jinan Twinning	20.6	9.9	**20.7**	0.1	0.5
Total	1,515.0	1,368.7	**1,520.4**	5.4	0.4

Note:

1. *City Council adopted Bylaw 2001-108 that established, effective January 1, 2002, a formula for the remuneration of the members of City Council. The Mayor's remuneration is 77.3% of a Provincial Cabinet Minister's salary for the prior year. The remuneration for a Councillor is one-third the remuneration of the Mayor.*

By Expense Object

Expenditures (000's)	2011 Budget	2011 Actual	2012 Budget	Budget Change Dollar Change	Per Cent Change
Salaries & Benefits	962.4	924.6	**965.7**	3.3	0.3
Employee Related Payments	151.0	129.7	**151.1**	0.1	0.1
Office & Administrative Expenses	253.4	179.1	**263.4**	10.0	3.9
Professional & External Services	48.8	36.6	**48.8**	-	-
Materials, Goods & Supplies	16.5	23.9	**16.3**	(0.2)	(1.2)
Other Expenditures	27.8	42.0	**27.8**	-	-
Intra-Municipal Services	55.1	32.8	**47.3**	(7.8)	(14.2)
Total Expenditures	1,515.0	1,368.7	**1,520.4**	5.4	0.4

Staff Complement

Full Time Equivalents	2011	2012
Permanent	6.0	6.0
Casual	-	
Total	6.0	6.0

Analysis of Operating Expenditure Budget Change

Details	($000's)
2011 Budget	1,515.0
1. Salaries & Benefits - Includes cost changes resulting from in range progression increases, classification reviews and employer benefit costs. (Base)	7.7
2. Benefits expense related to overtime and premium pay, (Base)	1.1
3. Reduction in Development Appeals Honorariums. (Base)	(5.5)
4. Reduction in allocated printing costs. (Base)	(8.0)
5. Various small changes to Base Budget	0.1
6. Accessibility and Youth Forums - Committees of Council. As part of the Committee Structure Review that was approved by City Council on January 26, 2009 (CR09-13), City Council requires both the Accessibility and Youth Advisory Committees to hold annual community/public forums related to each of their mandates. (One-Time)	10.0
2012 Budget	1,520.4

Note:
Base request funding – represents an increase in cost necessary to maintain current service levels.
Ongoing request funding – represents expenditures that would be ongoing past the current budget year.
One-time funding – represents one-time expenditures for the current budget year.

Community Investments

Overview

Community investments are payments to individuals or organizations for a variety of purposes allocated through the following Committees:

- The Community Planning & Development Division, through delegated authority from the Community & Protective Services Committee, provides financial support to community associations and organizations that provide arts, cultural, recreation, and community services along with organizations that address social issues.
- The Finance and Administration Committee provides financial support for economic and promotional purposes.
- The Executive Committee provides financial support for special events. The Executive Committee also provides funding to the Regina Exhibition Association Limited for capital purposes, funding to the Regina Regional Opportunities Commission (RROC) and funding to Wascana Centre Authority. In 2009, Tourism Regina and Regina Regional Economic Development Authority amalgamated to form RROC.
- The City is currently undertaking a strategic review of its community investment programs. The objective of this review is to ensure that investment structures, policies and processes align with the vision and priorities of the City. The outcome of the review will be the development of a strategy that will guide future community investment decisions. The final plan is expected to be considered by Council in 2012.

City Council determines the total allocation for the year, and the allocation to each Committee.

Operating Expenditure Summary ($000's)

				Budget Change	
Expenditures	2011 Budget	2011 Actual	**2012 Budget**	Dollar Change	Per Cent Change
Community & Protective Services Committee	3,351.7	3,271.6	**3,391.1**	39.4	1.2
Finance and Administration Committee					
Henry Baker Scholarships	19.0	19.0	**19.0**	-	-
Other Economic & Promotional Initiatives[1]	255.0	145.0	**255.0**	-	-
	274.0	164.0	**274.0**	-	-
Executive Committee					
Evraz Place	400.0	400.0	**400.0**	-	-
Juno Awards	-	-	**175.0**	175.0	100.0
Special Events	170.0	92.8	**170.0**	-	-
Corporate Sponsorship Program	30.0	27.2	**30.0**	-	-
Regina Regional Opportunities Commission[2]	922.9	922.9	**922.9**	-	-
Wascana Centre Authority[2]	1,651.0	1,711.0	**2,468.0**	817.0	49.5
	3,173.9	3,153.9	**4,165.9**	992.0	149.5
Transfers to Reserve	-	224.6	**-**	-	-
Total	6,799.6	6,814.1	**7,831.0**	1,031.4	15.2

Note:

1. *The 2012 Budget includes funding of $5,000 for SUMA and $5,000 for SARM.*
2. *These funds are administered through the Executive Committee.*

Capital Funding

Overview

The City funds a portion of the General Capital Program through contributions from the operating budget. The operating budget also funds the repayment of debt costs for debt issued to fund capital projects. In accordance with Section 129(1) of *The Cities Act*, the budget is to include "**the amount to be transferred to the capital budget**". In accordance with Section 129(1)(b) the budget is also to include "**the amount needed to pay all debt obligations with respect to borrowings of the city**".

The contributions to capital include two components:

- The contribution to capital to fund the capital budget as submitted by the Board of Police Commissioners.
- The contributions to capital to fund the civic portion of the General Capital Program excluding the capital program for the Regina Police Service.

Further details of the 2012 General Capital Investment Program are summarized under each Division within this document, and detailed in the 2012 – 2016 General Capital Program document.

Operating Expenditure Summary ($000's)

				Budget Change	
Expenditures	2011 Budget	2011 Actual	**2012 Budget**	Dollar Change	Per Cent Change
Contributions to Capital - Civic	13,459.3	13,459.3	**19,904.3**	6,445.0	47.9
Contributions to Capital - Police	1,083.6	1,083.6	**1,120.4**	36.8	3.4
Debt Charges	5,646.1	4,104.8	**5,545.6**	(100.5)	(1.8)
Total	20,189.0	18,647.7	**26,570.3**	6,381.3	31.6

Office of the City Manager

Mandate

The Office of the City Manager is Council's link to the Administration. The Office provides executive direction, strategic guidance, and governance support to the Corporation and its officials. It facilitates in the areas of government relations, communications and strategy development and execution. The Office also provides advice and support on matters of municipal governance, strategy and protocol, and ensures the City operates according to its legislative requirements.

Overview

The management of the civic administration of the City of Regina (excluding the Regina Police Service) is the responsibility of the City Manager. Appointed by City Council, the City Manager's authority is established by the City Manager's Bylaw 2003-70 and the Regina Administration Bylaw 2003-69.

Within the overall structure of the Office of the City Manager are the Legal Department and the Governance & Strategy Department as well as the newly formed Regina Revitalization Initiative Business Unit.

- The Legal Department provides legal services and protects the legal interests of the Corporation while advancing business and strategic objectives. The Legal Department includes the following branches reporting to the Executive Director, Legal:
  - The Prosecutions Branch prosecutes all bylaw offences and administers the Regina Municipal Division of Provincial Court.
  - The Risk Management Branch is responsible for the oversight of risk management and loss prevention measures for the City of Regina and Regina Police Service, investigation of all claims by and against the City and administering the placement of insurance coverage for the City of Regina.

- The Governance and Strategy Department includes the following branches reporting to the Executive Director, Governance & Strategy:

  - The Office of the City Clerk – ensures Council is advised of its legislative responsibilities, assuring the provision of public notice, the execution of corporate documents, attending all Council meetings, and maintaining minutes, safely maintaining all City bylaws; records related to the business of City Council and Committees. This office also provides legislative advice and support to all City Divisions, departments and branches concerning the public's right to access corporate information, the protection of privacy of individuals and the management and historical preservation of corporate records and information.

  - Communications – leads the development of communications and marketing programs and activities to help the corporation effectively communicate programs and services to the public as well as the City's partners and stakeholders. Communications is also responsible for establishing a new "Public Involvement" function, which will manage and coordinate the processes when the City needs to consult or involve the public or stakeholders in decisions.

  - Government Relations – provides a central point of contact for ongoing relationships with stakeholders, including the Provincial and Federal Government, surrounding municipalities, other local governing bodies, Aboriginal organizations, SUMA, Federation of Canadian Municipalities, and "twinned" or partner municipalities.

  - Strategy & Performance – builds organizational capacity in the facilitation of strategy development, deployment and management. The Branch provides leadership and consultation for the use of corporate methodologies and tools, so that senior management is enabled to make informed choices and allocate resources effectively to meet the needs of the public; Functions include facilitation and advice regarding the Corporate Portfolio Management Office, NQI, change management, annual business planning and corporate strategic planning activities.

- Regina Revitalization Initiative Business Unit – in 2011, a new business unit was created within the Office of the City Manager toward implementing a project to deliver a replacement facility for Mosaic Stadium and begin a revitalization of inner city lands. The Executive Lead for this business unit is the Deputy City Manger & CFO. City Council has approved a Vision and Guiding Principles for the project, and in addition to the appointment of an Executive Lead, an internal project team has been established to move this initiative forward.

Key Facts

- In 2011, the City of Regina's use of on-line and interactive communications tools continued to grow:
  - The City of Regina website received more than 1.4 million visits and, according to the annual citizen survey, it remains the first choice of residents when seeking information about City programs and services;
  - The City Facebook page is approaching 20 thousand users, which is an increase over eight thousand users over last year and the largest total number of users in among all Canadian municipalities;
  - City YouTube videos were viewed over 25 thousand times, representing an increase of over 10 thousand views when compared to 2010;
  - The City has about five thousand Twitter followers, a significant increase from two thousand at the end of 2010;
  - The CityApp mobile app has now been downloaded over 3,000 times.

- Administrative and procedural support was provided for City Council, three quasi-judicial boards and 16 committees.

- In 2011, 286 agendas were created and delivered to elected officials and citizen members of committees representing a 34% increase over 2010. Administrative support was provided for an average of 24 meetings per month.

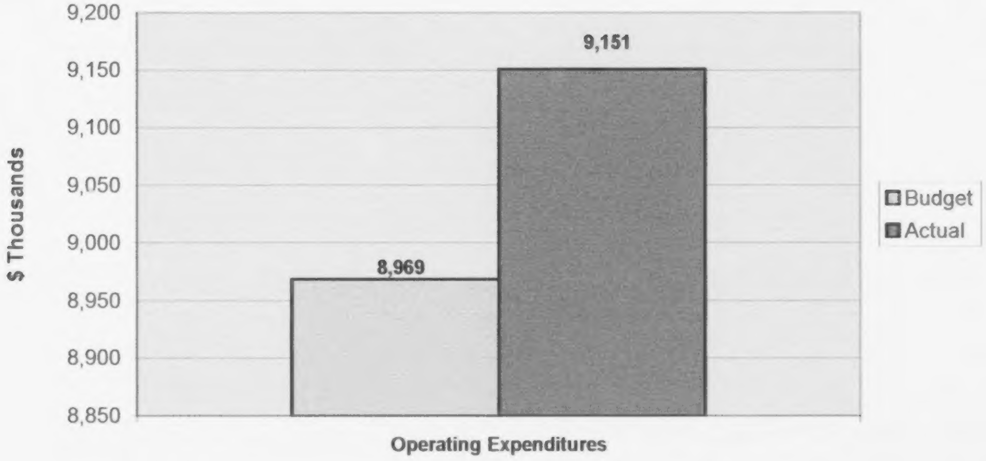
- To date, the Risk Management Branch of the Legal Department has investigated 1,043 incidents, settled 82 third party claims, and paid out a total of $188,068 in 2011.

- To date, the Prosecutions Branch of the Legal Department has had 467 charges in court with fines assessed of $53,191 in 2011.

- In 2010, the first Corporate Portfolio Management Office (CPMO) was implemented, and 100% of the City of Regina's divisions and departments updated their three-year business plans, which are aligned to the Corporate Strategic Plan, *Accelerating Excellence*. This process has ensured that City progress on projects are monitored and that resources are targeted and focused to ensure improved ability to meet citizen and customer needs.

2011 Highlights

Financial Performance



Operational Highlights

- In 2010, the Strategy and Performance Branch focused on increasing the corporation's change management competency by integrating the Prosci change management model into corporate priority projects, which resulted in the completion of several key projects with enhanced executive sponsorship visibility.

- In 2010, as part of the Corporate Portfolio Management Office (CPMO), the Strategy and Performance Branch strengthened the corporation's ability to execute projects by implementing the Corporate Priorities Steering Committee.

- In 2010, the Strategy and Performance Branch completed the corporate NQI Level 2 assessment and an implement plan for the next few years is in development.

- In 2011, the City launched its first mobile app at during the summer construction season. A second version launched in October 2011 provided an opportunity for the City to work with Regina Regional Opportunities Commission and Regina Airport Authority. RROC is now sharing its events information and Regina Airport Authority is sharing arrival and departures making it truly a CityApp.

- In 2011, Communications developed and implemented communications plans for major initiatives such as Downtown Revitalization, Winter Road Maintenance, Road Renewal 2011 and Waste Plan Regina. Communications implemented a crisis communications model during major snowstorms 2011, and the subsequent heavy spring runoff, as well as a major storm that disabled the Buffalo Pound Water Treatment Plan in August of 2011. . Communications launched an extensive campaign as part of the Design Regina initiative to engage citizens in the development a new Official Community Plan. Communications also increased the profile of the city and the corporation at events such as I Love Regina Day and the University of Regina Welcome Week.

- In 2011, Communications together with Service Regina, were the recipients of a Gold Medal from the prestigious Government Technology Awards in the category of "Transforming the Business of Government". The City was recognized for its use of Social Media to compliment everyday business of the City.

- The City of Regina is supportive of urban reserve creation and as such, looks forward to working with First Nation communities, through municipal service agreements, to advance and promote economic development that benefit our community as a whole.

- In 2011, Service Regina assumed responsibility for answering the City's Facebook and Twitter postings in order to enhance our customer service. An upgrade of the Hansen system was also completed in order to pave the way for Bylaw Enforcement to come onto the system with the code enforcement module.

- In 2011, the Office of the City Clerk participated in the review of the current Ward Boundaries in Regina. The city is divided into 10 wards and members of Council with the exception of the Mayor are elected based on these wards. A Municipal Wards Commission conducts this review and its decision is final. New ward boundaries will be implemented for the 2012 Municipal Election.

- In 2011, the Office of the City Clerk participated in the review of the current Ward Boundaries in Regina. The city is divided into 10 wards and members of Council with the exception of the Mayor are elected based on these wards. A Municipal Wards Commission conducts this review and its decision is final. New ward boundaries will be implemented for the 2012 Municipal Election.

- In 2011, each advisory committee of Council developed their second work plan to cover the next two years that Council approved.

- The Office of the City Clerk completed a records classification and retention review for all business areas at the City. There are 26,749 boxes of corporate records stored at the off-site storage facility, which is a decrease of about 530 boxes from 2010. Despite the overall decrease in the number of boxes at Crown, The division have successfully inventoried and sent approximately 1,425 boxes off-site this year. The decrease in off-site storage is due to improvements made in our disposal process that have allowed us to better identify eligible records for disposal and then expedite their secured destruction. To date, more than 2,000 boxes have been disposed of with anticipated disposals of nearly 4,000 more by year end.

- Access to information requests through the Office of the City Clerk are now being tracked as "formal" and "informal" requests, which has helped improve customer service and expedite access to information for citizens. In 2011, there were 15 formal Freedom of Information requests and 22 informal requests compared to the 9 formal requests in 2009 and the 26 formal requests in 2010. A formal privacy impact assessment review process was developed and implemented in 2011 for new programs and applications at the City.

- A corporate Customer Privacy Policy was developed and implemented in 2011 along with a Health Information and Privacy training program in collaboration with the Regina Fire and Protective Services department to support their accreditation requirements as well as to reinforce privacy obligations in their unique role.

- A Corporate Information Assessment was completed in 2011 and recommendations for a corporate information governance framework were developed.

- The Office of the Executive Director, Legal provided legal support on a number of projects of strategic importance for the City.

- The Prosecutions Branch of the Legal Department conducted a training session with the Regina Police Service with respect to the issuance of tickets under *The Noise Abatement Bylaw.*

Strategic Priorities

The Office of the City Manager will initiate projects and activities both corporately and divisionally to support all of the Strategic Priorities of the City and achieve specific outcomes as a result of these efforts. The 2012 Divisional Budget provides the financial resources to deliver these results and is summarized as follows:

Strengthen City Infrastructure & Manage Assets

Key Areas of Focus

Divisional

- This Division is primarily focused on providing leadership and support for long-term asset and financial management strategies as they are developed primarily in other divisions.
- The Communications and Government Relations branches will play a significant role in communicating asset management requirements, including financing, to the public and to other orders of government.

Outcomes

- Effective financial management.
- A responsive, diverse, well-managed open space system that includes parks, pathways, the urban forest and landscapes.
- Reliable water, wastewater, storm and roadway infrastructure.
- Revitalized facilities.
- Effective fleet management.
- Appropriate and efficient information technology tools in a secure environment.

Ensure Organizational Capacity & Effectiveness

Key Areas of Focus

Corporate

- Finalize implementation of a project management framework and processes for the City of Regina.

Divisional

- Ensure employees have the professional development support to adapt to rapidly changing needs.

Outcomes

- Improved business plans and models.
- Effective performance measurement and performance management.
- Skilled, knowledgeable and engaged employees, supervisors and managers.
- A representative workforce.

Manage Growth & Community Development

Key Areas of Focus

Divisional
- This Division is primarily focused on providing leadership, support, and overall integration of the Community, Transportation, Infrastructure, Downtown, and Community Development Plans, being developed primarily in other divisions.

Outcomes
- A compact urban form and sufficient supply of land for future growth.
- Increased pedestrian, bicycle and public transit use.
- Optimization of existing infrastructure capacity.
- Directed investment to enhance vibrancy of downtown.
- Targeted community development activities within inner city neighbourhoods.
- A consolidated approach to providing community investments.
- A safe living and working environment for the community.

Achieve Operational Excellence

Key Areas of Focus

Corporate
- Launch the new Regina community brand
- Adopt and formally implement the draft Public Engagement Framework.
- Provide improved service to citizens related to Freedom of Information requests, including background work to facilitate a move to online self –serve options.

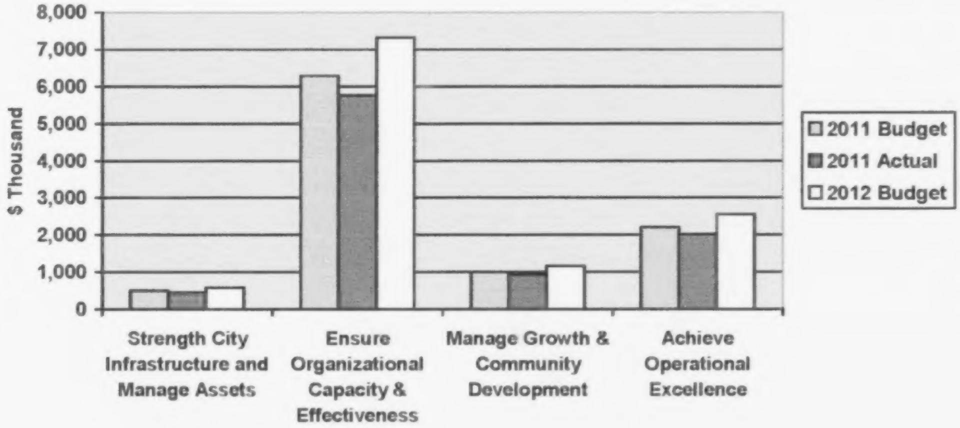
Divisional
- Conduct a number of service reviews to identify improvements to customer service delivery, including hours of operation, payment methods, etc.

Outcomes
- Increased customer awareness and involvement.
- Increased customer satisfaction.
- Efficient, customer-focused processes.

Operating Expenditure Summary ($000's)

To achieve the City's Strategic Priorities the City Manager's Office has estimated its total allocation of operating budget as follows:

By Strategic Priority



In a more traditional format the City Manager's Office has summarized its operating budget as follows:

By Business Unit

				Budget Change	
Expenditures (000's)	2011 Budget	2011 Actual	**2012 Budget**	Dollar Change	Per Cent Change
Office of the City Manager					
Administration	960.1	980.9	**947.2**	(12.9)	(1.3)
Regina Revitalization Initiative	-	388.4	**743.6**	743.6	100.0
Innovation	-	-	**361.9**	361.9	100.0
	960.1	1,369.3	**2,052.7**	1,092.6	113.8
Executive Director - Legal					
City Solicitor's Office	1,657.6	1,784.1	**1,661.0**	3.4	0.2
Bylaw Prosecution	145.8	127.4	**145.6**	(0.2)	(0.1)
Risk Management	248.6	208.6	**247.8**	(0.8)	(0.3)
Insurance	900.0	908.4	**900.0**	-	-
	2,952.0	3,028.5	**2,954.4**	2.4	0.1
Executive Director - Governance & Strategy					
Communications	2,042.8	1,928.5	**2,351.5**	308.7	15.1
City Clerk's Office	1,827.2	1,692.3	**2,342.1**	514.9	28.2
Strategy and Performance	1,053.9	760.2	**1,114.0**	60.1	5.7
Government Relations	132.6	372.2	**129.8**	(2.8)	(2.1)
	5,056.5	4,753.2	**5,937.4**	880.9	17.4
Facility Costs					
City Clerk's Office	-	-	**73.6**	73.6	100.0
Total	8,968.6	9,151.0	**11,018.1**	2,049.5	22.9

By Expense Object

Expenditures (000's)	2011 Budget	2011 Actual	2012 Budget	Budget Change Dollar Change	Budget Change Per Cent Change
Salary & Benefits	5,954.0	5,136.4	**6,661.1**	707.1	11.9
Employee Related Payments	90.7	111.9	**91.4**	0.7	0.8
Office and Administrative Expenses	1,306.5	1,550.8	**1,377.8**	71.3	5.5
Professional & External Services	1,178.8	1,895.9	**2,421.0**	1,242.2	105.4
Materials, Goods & Supplies	120.4	120.6	**125.7**	5.3	4.4
Other Expenditures	94.4	94.5	**104.9**	10.5	11.1
Intra-Municipal Services	223.8	240.9	**236.2**	12.4	5.5
Total Expenditures	8,968.6	9,151.0	**11,018.1**	2,049.5	22.9

Staff Complement

Full Time Equivalents (FTE's)	2011	2012
Permanent	66.0	66.0
Casual	0.1	3.1
Total	66.1	69.1

Note:

1. *The 2011 FTE count has been restated in order to reflect the transfer of the Service Regina Branch to the City Operations Division for the 2012 budget cycle.*

Analysis of Operating Expenditure Budget Change

Details		($000's)
2011 Budget		8,968.6
1.	Remove 2011 One-Time Expenses (Base)	(100.0)
2.	Salaries & Benefits - Includes cost changes resulting from in range progression increases, classification reviews and employer benefit costs. (Base)	28.2
3.	Uncontrollable Price Increases - Are those increases in expenditures that are due to price not volume. This increase cannot be managed by doing less, renegotiating a different price or going to a different supplier. (Base)	7.8
4.	FTE Reallocated from the former Community & Protective Services Division (1.0 Perm FTE) (Base)	85.4
5.	Strategic Innovation Fund - The cost savings from reducing from four divisions to three have been pooled in order to fund innovations that require an upfront investment but will yield cost savings or increased revenue over time. (2.0 Perm FTE) (Base)	361.9
6.	Various small changes to Base Budget	(1.3)
7.	Increased Volume of Records Stored Offsite - (On-going)	25.0
8.	2012 Municipal/School Board General Election - (3.0 Casual FTE). The Municipal/School Board General Election is a legislated program that occurs every three years, (four years following the 2012 Election pending legislative changes). The budget presented is the true costs of the Election in 2012 and the School Boards are jointly required to provide 50% of the funding. (One-Time)	558.9
9.	Reassessment Communications - The funds are requested to develop and deliver communications for the upcoming reassessment process. For this reassessment period, the assessed value of residential property will increase dramatically, requiring increased mass communication with citizens. (One-Time)	140.0
10.	Revitalize Regina Initiative - Over the next 10-15 years, the Regina Revitalization initiative will realize a generational opportunity to revitalize the heart of our city by converting industrial and underused lands into a vibrant and energetic residential, commercial and retail development. The initiative will deliver a replacement for Mosaic Stadium, and will add to our current sports and entertainment options, including a new anchor facility that will attract future development. (One-Time)	743.6
11.	Waste Plan Regina Communications - The funds will be used to create and design an informational campaign and produce the supporting collateral. This is the first year of a 3 year implementation plan for Waste Plan. (One-time)	200.0
2012 Budget		11,018.1

Note:
Base request funding – represents an increase in cost necessary to maintain current service levels.
Ongoing request funding – represents expenditures that would be ongoing past the current budget year.
One-time funding – represents one-time expenditures for the current budget year.

City Operations Division

Mandate

City Operations preserves and operates municipal infrastructure involving parks and open spaces, roadways, traffic, water, drainage, wastewater, and solid waste to meet regulatory requirements, community needs, and support becoming "best run". In addition, the division provides professional, accessible urban transit services and ensures the safety and security of the community through the provision of fire and protective services

The division is managed directly by the City. The City provides funding for divisional services through property taxes, utility billings and other fees for service charges.

Role & Business Model

The core business of City Operations is to be stewards of a significant portion of the city's infrastructure, ensuring that infrastructure systems are adequately preserved, resourcefully funded and effectively operated. This is accomplished through implementing best practices that advance safety, consistency, efficiency and reliability.

The Division creates value through service leadership that best serves our stakeholder base, maximizing every dollar spent. Our divisional priorities focus on narrowing the gap between current service levels and customers' service expectations by:

- ensuring that employees have the appropriate skills, abilities and tools to deliver our programs and services,
- ensuring a safe workplace is foremost,
- understanding our programs and services.
- understanding our customers' service delivery expectations,
- identifying and implementing ways to reduce costs and/or increase revenue,
- creating Council awareness of service gaps and how to narrow those gaps

Overview

The City Operations Division was created as part of the 2011 corporate restructuring to provide city infrastructure management and services that are essential to the quality of life in our community.

City Operations is comprised of eight departments employing over 800 full time equivalent positions and approximately 200 casual employees.

Environmental Services Department

- Provides wastewater treatment, solid waste management, environmental, and engineering services for Regina and surrounding communities to protect public health and enhance quality of life.

Transportation and Material Services Department.

- Provides diverse transportation services to our customers and are dedicated to traffic safety and infrastructure preservation.

Water and Sewer Services Department

- Designs, constructs, operates and maintains essential water, wastewater and drainage systems for Regina and surrounding communities to protect public health and property.

Roadways Operations Department

- Effectively maintains and operates roadways, walks and alleys to ensure a safe, reliable transportation system for the community.

Office of Strategic and Business Services

- Positions City Operations to achieve division and department business plans by providing strategic, engineering and business leadership with respect to planning, co-ordinated administration & communication, research & policy development and, performance and measurement reporting.

Parks & Open Space Department

This department enriches the lives of people in Regina by providing excellence in parks and open space management. This Department:

- Plans, designs, develops and maintains an extensive and diverse park and open space system consisting of attractive landscapes, the urban forest and outdoor recreation facilities, including the multi-use pathway system, athletic fields and playgrounds.
- Provides pest control services to ensure human health and safety.
- Protects and maintains the health of the urban forest.
- Maintains the City-owned golf courses.
- Operates City-owned cemeteries.

Fire & Protective Services Department

This department delivers community-based awareness and education programs along with dynamic response to preserve and enhance life, property and the environment. Department staff are committed to the safety and security of our community through the delivery of fire and emergency response services; bylaw enforcement and licensing and municipal fines. This Department:

- Develops and implements plans and procedures to manage emergency situations and special public events.
- Initiates prevention and public education programs related to fire, natural disasters, and other emergency or crisis situations based on community need and circumstances.
- Monitors, inspects, and investigates facilities and equipment while engaging in activities and development processes that ensure compliance with City bylaws and policies along with federal and provincial acts and regulations.
- Provides emergency response, rescue and telecommunications services
- Provides business continuity, emergency planning and management services.

Transit Department

This department is committed to providing professional, accessible, urban transit services to customers through building and maintaining strong partnerships within the community. This Department:

- Provides conventional transportation through a regularly scheduled, fixed route public transit system.
- Provides specialized transportation for persons with disabilities and the elderly, who are unable to use conventional public transit through scheduled, shared ride, door-to-door service known as Regina Paratransit.
- Provides charter service within a 25-kilometre radius of the city for events including conventions, Football Express and the Ding in the New Year service.
- Provides transportation for emergency situations.

- Provides full service maintenance or our fleet.
- Beginning January 1st 2012, bus maintenance will be provided by Fleet Services. The location of the heavy repair facility will remain at 1157 Albert St.
- Provides quality consistent customer service at our call centre.

Administrative offices and Transit Operations are located at 333 Winnipeg Street. A heavy repair facility is operated in the City's Albert Street yard complex. The Transit Information Centre is on 11th Avenue, in downtown Regina.

Note:
The water, wastewater and drainage services are delivered through the Water and Sewer Utility Budget and are not included in the General Operating Budget.

Key Facts

- City Operations, as a whole, has resolved a total of 35,081 service requests.
- Regina's Roadway Network Inventory consists of 952 kilometres paved roads, 32 kilometres of gravel roads, 1279 kilometres of sidewalks, 172 kilometres of paved alleys, and 132 kilometres of gravel alleys.
- Under the Winter Road Maintenance Program, the Roadway Operations Department is responsible for snow plowing, snow removal and ice control on the roads, snow disposal site, alleys, and sidewalks of the City of Regina.
- The City's transportation network includes 54 bridges, including eight rail overpasses, three timber bridges, 32 concrete bridges, 11 eleven new bridges are added to this inventory this year as Ministry of Highway transferred the responsibilities to the City under the Urban Highway Connecting Program (UHCP). Also, City have an inventory of 31 pedestrian bridges.
- The average pavement age of the expressway/arterial network is 12 years, the collector and industrial commercial network is 12 years, and the local network is 28 years by surface area.
- The City of Regina maintains a total inventory of over 50 thousand street signs.
- The City has 175 signalized intersections, nine pedestrian half signals, 69 pedestrian corridors, and approximately 900 expressway lights.
- The Global Positioning System (GPS)/ Automatic Vehicle Locator (AVL) project continues to be developed for implementation on Winter Maintenance equipment and key summer construction equipment. Once fully implemented, GPS/AVL will track winter maintenance equipment that supports the delivery of the Winter Maintenance Policy and assist summer operations to enhance service delivery and reduce operating costs

- The City asphalt plant produced 80 thousand tonnes of hot mix asphalts in 2011 at a total cost of $6,040,000. Total cost includes the cost of materials, labour, equipment and energy to produce asphalt mixes and maintain the plant, as well as management costs and funds transferred to the asphalt plant reserve for future plant upgrades. In 2011, the City's asphalt supply price was approximately 21% less than private contractor's asphalt supply price. The plant also produced 4,000 tonnes of dry sand and 500 tonnes of cold mix. The asphalt plant dust collection system was supplemented by new dust storing and weighing system, which allowed for precise measurement of each size of the dust that is fed back into asphalt mixes. This initiative resulted in reduction of asphaltic cement used in the mixes and is saving approximately $200,000 per year.

- The bulk materials operation provided 180 thousand tonnes of granular and landscape materials to various City branches and public agencies. Recycled materials constituted 40% of bulk materials sold. In addition, 75 thousand tonnes of granular materials were processed for the needs of asphalt plant.

- The Testing Lab and Field Services section provided 230 full asphalt tests, 750 sieve analyses, 400 asphalt density field tests and over 3,000 hours of concrete placement and paving inspections to ensure that materials and construction techniques meet City specifications. In addition, Benkelman beam testing and 160 core samples of the old road structure was completed to support the 2012 road design program.

- Total amount of material disposed of at the landfill annually is 600 thousand tonnes. This amount consists of three main categories: 39% garbage, 47% dirt, 14% recycled concrete, and concrete/asphalt mix.

- The landfill processes approximately 190 thousand transactions each year. This is a reflection of the economic activity in the City and surrounding area.

- About one third of the landfill waste comes from residential areas and two thirds comes from industrial/commercial/institutional areas.

- Residential waste collection is provided to 60 thousand houses, which amount to over 3 million house visits per year. Each house produces an average of 1 tonne of garbage per year.

- The City's waste minimization program includes the Big Blue Bin (BBB) and Tinsel Mulch programs. The Tinsel Mulch program resulted in the recycling of 3,500 Christmas trees. Paper collected through the BBB program is approximately 5,500 tonnes per year.

- In 2011, Service Regina answered 147,157 calls in the first nine months of 2011. The average abandoned rate for 2011 was 8.3%. The Main Floor Customer Service area processed 99,909 transactions for a dollar value of $65.5M in the first nine months of 2011.

- The Division provides a high quality of maintenance services to a large and diverse municipal park and open space system comprised of a total of 1,550 hectares or approximately 7.9 hectares of parkland per 1,000 people.

- The Division operates two municipally owned cemeteries, providing the community with various interment options.

- The Division creates floral displays throughout the City using flowerbeds, over 500 planter pots and oak barrels. These displays are typically located along main arterials and intersections.

- The Division protects and nurtures the 130 thousand city-owned trees, which add to the beauty of our community. Less than 1% of the urban forest was lost to disease or insect infestations in 2011. The forestry program includes a pruning cycle of 1:7 years and plants approximately 2,500 trees annually.

- Over the last five years, on average, 110 thousand rounds of golf were played annually at the city-owned golf courses.

- Annually, over 39 thousand citizens attend one of the public safety fire education events provided. Over 2,600 fire inspections and 250 fire investigations occur each year.

- The Fire & Protective Services Department responds to a five-year annual average of 5,900 total deployments (which includes non emergent investigations and public education and training) and an average of 3,500 emergency dispatches for fire suppression, emergency medical assistance, hazardous material mitigation and rescue incidents.

- In 2010, structural fires decreased to 124 from the five-year average of 155, a decline of 20%.

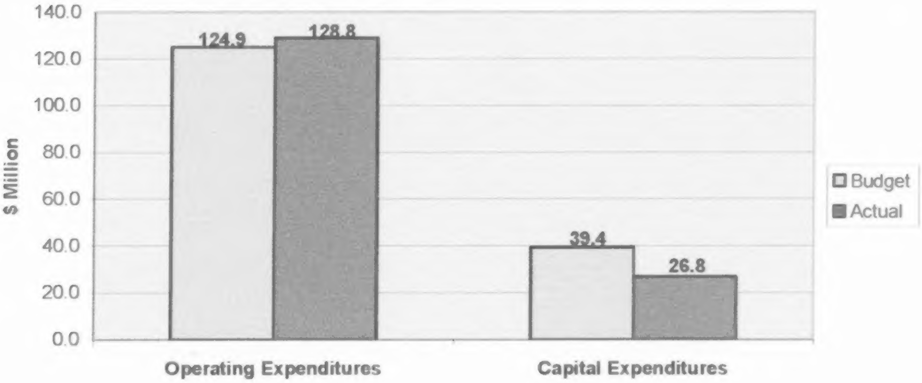
- Division staff lead the corporate business continuity planning program and direct the Community Emergency Management Program through planning, partnerships, training and development.

- Each year over 7,600,000 rides are provided to get people to work, school, shopping, etc. The 105 city buses travel approximately 5,500,500 km. each year. The 43 accessible low floor buses provide improved accessibility for all customers, especially seniors. To ensure the effectiveness of the fleet, 40 buses were replaced through the acquisition of 20 new and 20 pre-owned buses in 2009 and 2010.

- In each of the last five years, door-to-door Para-Transit bus service was provided to 184,000 passengers who traveled a total of 1,200,000 km per year over the last five years.

2011 Highlights

Financial Performance



Operational Highlights

- The 2011 Street Infrastructure Rehabilitation Program rehabilitated 23.6 kilometres of the City's road infrastructure. This included 20 arterial road locations totalling 13.8 km, six collector road locations totalling 3.8 km, and 11 projects on local roads totalling six km. The work included removal and replacement of curbs, gutters and sidewalks, and asphalt rehabilitation, the major projects include:
- McCarthy Boulevard. from Mikkelson Drive to 1st Avenue North

- 6th Avenue North from Albert Street to Broad Street.
- 23rd Ave. from Albert Street to east of Scott Street.
- Lacon Street from Park Street to Arcola Avenue
- MacPherson Avenue from Parliament Street to Hillsdale Street
- Albert Street from 4th Avenue to Avonhurst Drive.
- Lewvan Drive from 1st Avenue North to Sherwood Drive
- Lewvan Drive and Sherwood Drive Intersection
- Sherwood Drive from McCarthy Boulevard to Lewvan Drive
- Parliament Avenue from Albert Street to Massey Road

- Rehabilitation and preservation projects were completed in every area of the City to improve roads in poor condition and preserve roads that are in relatively good condition.

- Refurbishment of the 60-year old 11th Avenue timber bridge over Wascana Creek was started and completed in 2011.

- Assiniboine overpass and Assiniboine over Wascana Creek and Ring Road SB over Dewdney Avenue bridges were rehabilitated to provide sufficient load carrying capacity, new asphalt and concrete surfaces, and widening and improvement of the sidewalk to improve pedestrian and cyclist safety.

- Traffic signals were reinstalled at 12th Avenue and Scarth Street in support of the City Square Project. These signals have upgraded audible pedestrian indications for improved pedestrian accessibility.

- Traffic signals have been fully refurbished at Street and 9th Avenue and Winnipeg Street and Broadway Avenue.

- Traffic signals were fully refurbished at Pasqua Street and Sherwood Drive in conjunction with a project to add a second northbound turning lane increasing the capacity at this intersection for improved traffic flow.

- Two pedestrian corridors were refurbished at locations to support the Pedestrian Safety Program in the Traffic Control and Parking Branch.

- Expressway lights and associated infrastructure was refurbished along Lewvan Drive from Jim Cairns Boulevard to south of Gordon Road. Expressway lighting cabinets and the associated expressway lights between Park Street and Fleet Street along Victoria Avenue are in progress of being refurbished.

- Roadway Operations initiated action to have ownership of the land currently used for snow disposal transferred to the City.

- The Global Positioning System (GPS)/ Automatic Vehicle Locator (AVL) project continues to be developed for implementation on Winter Maintenance equipment. Once fully implemented, GPS/AVL will track winter maintenance equipment that supports the delivery of the Winter Maintenance Policy.

- The third year review of enhancements to the Winter Road Maintenance Policy has been completed, focusing on removal at transit stops/school zones, surveys of sidewalk removal and continuation of pilot programs such as residential ice shaving and pre-wetting.

- Traffic Control & Parking Branch provided the following services in 2011:
  - Design and Installation of 330 Traffic Accommodations and detours;
  - Coordinated Traffic for 30 special events,
  - 505 over-dimensional moves coordinated through the city,
  - 962 temporary street use by contractors and the film industry, and
  - 57 new accessible parking zones at private residents.

- In 2011, $1.4 million in parking meter revenue was collected.

- Painting of over 300 thousand meters of lane lines and over 70 thousand meters of crosswalk/stop bar pavement marking was completed and supported by a new state of the art paint truck. Wet weather hampered schedules during 2010.

- For the City Square Project, traffic acclimatization was utilized. Special markings were applied for motorists and pedestrians to safely facilitate new turning movements and increase awareness of the two-way traffic conversion.

- The new landfill expansion was completed and put into operation this year. This expansion will ensure capacity for a growing City and surrounding community and help to protect the environment.

- The landfill gas collection system destroys approximately 1,000 tonnes of methane gas each year, which reduces greenhouse gases (equivalent to 41 tonnes of CO2 each day).

- Waste Plan Regina's Implementation Plan was approved by City Council in 2011 with the service anticipated to be in service by 2013.

Parks & Open Space Department

- Due to significant flooding of Wascana Creek, Parks & Open Space staff assisted the flood control effort by filling and deploying sandbags and water-filled dams at temporary dyke locations. Ninety Department staff over a period of six weeks provided this assistance.

- During the summer, Regina suffered four significant storms that caused major damage to our urban forest. The storms resulted in the creation of over 1,900 service requests from the public and a loss of over 300 city-owned trees.

- Above-normal standing water conditions along creek areas, within and outside the city limits, increased the number of mosquito breeding sites. However, tempered by drier conditions in late summer and fall, a control program covering outlying areas and an increase in the dragonfly population, a natural predator of mosquitoes, the Department was able to effectively keep mosquito populations within the normal mosquito count range.

- A pesticide-use reduction initiative was developed and implemented in 2011, focussing on the reduction of herbicide use in open space areas. Through the adoption of enhanced cultural practices and weed monitoring, the Department was able to reduce the quantity of chemical herbicide used during the year.

- The 2010 pilot project in which three parks were designated "pesticide-free", continued into 2011. Following the processes identified within the pesticide-use reduction initiative, alternative methods were used to control weeds and mosquitoes at Al Pickard, Gordon Road Parks and Queen Elizabeth II Courtyard (City Hall). Hand-pulling, mowing, string-trimming and the removal of standing water were some of the methods employed.

- A Land Needs Assessment was initiated to forecast the remaining capacity of Riverside Memorial Park Cemetery. The objective was to determine the location's ability to meet the community's needs in the future. The report concluded that there is approximately 75 years of capacity available at this location.

- Significant improvement was achieved in gopher control in 2011 due to changes to the Gopher Control Program in 2010. Areas treated last year saw minimal to zero gopher population in the current year. An estimated 100,000 gophers were controlled during the last two years.

- Through a grant from Green Street/TD Bank, the Department was able to supplement its tree-planting program. Our proposal to use alternative planting methods and diverse tree species contributed to our success of securing the grant.

- Extreme wet conditions in the spring created significant challenges in managing the golf courses. At the Murray Golf Course, where flooding for two weeks is a common annual occurrence, the course experienced flooding for several months, requiring constant monitoring to minimize disruption of play. At the Goulet Golf Course, the excessive water volume flooded the course for three weeks in June, causing significant damage to many fairways and the closure of these holes for three months. Damage resulting from this flood required complete restoration of the affected fairways to re-establish the turf.

Fire & Protective Services Department

- Mobile computer-aided dispatch technology in emergency response apparatus provides real time data to emergency response crews and contributes to the Department's ability to continue to meet the City's 6/10 minute response objective over 90% of the time.

- Fire and life safety education programs were intentionally provided in the high fire risk areas of North Central, Heritage, and Al Ritchie. These programs were provided in partnership with: Bylaw Enforcement, City Operations, Regina Police Service, the two school boards, Regina Qu'Appelle Health District - Child and Youth Services Section.

- The Emergency Management Program continues to coordinate the provincial designation application for assistance under the Provincial Disaster Assistance Program (PDAP), to allow citizens impacted by flooding to access federal funds available to repair critical, non-insurable properties.

- Training has continued to be a priority for all aspects of fire services. The Department continues to successfully train and certify personnel in Hazardous Materials, Emergency Medical Care, Wellness/Fitness, Fire Fighter Survival, Technical Rescue and other related disciplines. In 2011, over 140 personnel were certified or re-recertified.

- The Fire Fleet Replacement Strategy was implemented in 2011. The Department worked with Fleet Services to purchase, receive and equip six new pieces of front-line apparatus, with all units placed in service by the end of the year. In addition, the replacement of one light service vehicle and a hazardous materials decontamination trailer will be completed by the end of 2011.

- The Department is pursuing International Fire Service Accreditation, a third party recognition of services, programs, and governance that are measured against industry best practices. As part of the accreditation process, the Department will complete a comprehensive community risk assessment and develop the "Standard of Cover" which will serve as the basis for future service delivery decisions.

- A new Standard Operating Procedures process was implemented in 2011 that supports timely review and update of activities that enhance safety and overall performance of the Department.

- Fire Inspectors/Investigators have been relocated to the stations in each of the seven fire districts to enhance and streamline the inspection process, and support Fire Operations personnel with in-service inspections and pre-planning initiatives.

Transit Department

- The Department continues to make significant progress in modernizing the conventional bus fleet. Over the past three years, over 50 buses have been replaced in the fleet, reducing the average fleet age to its current 9.9 years. Since 2006, the number of accessible, low floor buses in service has risen from 26 to 73. This has been accomplished within available funding by acquiring new vehicles. Twenty-four new fully accessible low floor NovaBus units were received in 2010 and 2011. The Department plans to have a fully accessible fleet by 2016.

- Regina's public transit continues to provide safe, convenient, affordable transportation for residents and visitors to special events, such as concerts, Saskatchewan Roughrider games and New Year's Eve celebrations. The "Ding-in-the-New-Year" and Football Express special services are increasing in popularity each year. Charters in 2011 included service for the National Infrastructure Summit, and the National CUTA conference.

- In November 2010, Regina Transit began the implementation of a new smart card-based, electronic fare collection system branded the "R-Card". This implementation was completed in the first quarter of 2011. This state-of-the-art payment system will provide a wealth of information and data to make the transit system more responsive and efficient. The data collected from the electronic fare system will be analyzed in 2011 and will be used to determine route efficiencies.

- A consulting firm was hired in 2011 to create the Service Standards for conventional transit. These standards will be used as a guide to determine the effectiveness and efficiency of both current and new service.

- A pilot with CRL Labs to test an integrated AVL system for Transit began in 2009. The equipment was installed on 22 buses primarily focused on the Route 3. This system allowed passengers to see real time bus arrival information. An agreement was signed in 2011 with CRL Labs to extend the pilot fleet wide and will run until December 2012.

- The National CUTA conference was hosted by the City of Regina in the spring of 2011. This involved various Transit Agencies from across Canada to discuss industry trends and best practices.

- The department continues to focus on developing strong partnerships with the community. The objective is to make Transit an active partner to better serve our customers needs, while improving our cost recovery and efficiency. Partnerships have been created with the Regina Public Transit Coalition, the University of Regina and some local business associations.

- Customer service and information is critical to the success of the department. The Transit Information Centre provides information 77 hours a week to customers regarding conventional transit. The Paratransit booking lines are available to customers 117.5 hours per week. In 2010, the regular bus fleet travelled just over 5,660,000 kilometres and the Paratransit fleet travelled 1,160,000 kilometres.

- The operator recruitment toolkit called STRADA was implemented in 2011. This application will reduce the time spent on selection of new bus operators through an online assessment survey.

- Regina Transit celebrated our centennial on July 28th, 2011. As part of this celebration, a media event was held at City Hall featuring past uniforms and a Transit bus painted in the first fleet colours. A separate event was held at the Transit Operations Centre on September 24th, which featured guided tours and a barbeque for the community.

Strategic Priorities

City Operations Division delivers programs to operate, maintain and reconstruct the municipal infrastructure/assets.

City Operations also provides operational and engineering services to the community and corporation including winter maintenance on roadways, alleys and sidewalks; traffic control; environmental monitoring and testing; and disposal or diversion of waste material.

The 2012 Divisional Budget provides the financial resources to deliver these results and is summarized as follows:

Manage Growth & Community Development

Key Areas of Focus

- *Provide services supporting city growth and development plans.*

Outcomes
- Infrastructure for New Growth, Development and Regulatory Standards.

Strengthen City Infrastructure & Manage Assets

Key Areas of Focus

- Development of a Utility Business Improvement Strategy.
- Develop and implement an integrated long term waste plan with residential recycling services.
- Develop and implement an infrastructure asset management process.

Outcomes
- Financial Acumen.
- Asset Management.
- Growth, Innovation and Regulatory Standards

Achieve Operational Excellence

Key Areas of Focus

- Alternative business model and revenue generation opportunities are identified and explored.
- Cost reduction opportunities are identified and explored.
- Identify and prioritize our programs and services.
- Identify, define, and communicate current levels of service.
- Identify customer level of service expectations.
- Winter Maintenance Snow Storage review.

Outcomes

- Customer Service.
- Business Acumen.

Ensure Organizational Capacity & Effectiveness

Key Areas of Focus

- *Corporate and Division* Safety Strategy objectives are implemented.
- Employee Engagement Strategy is developed.
- Employees have received Innovation training.
- Develop a facilities master plan.

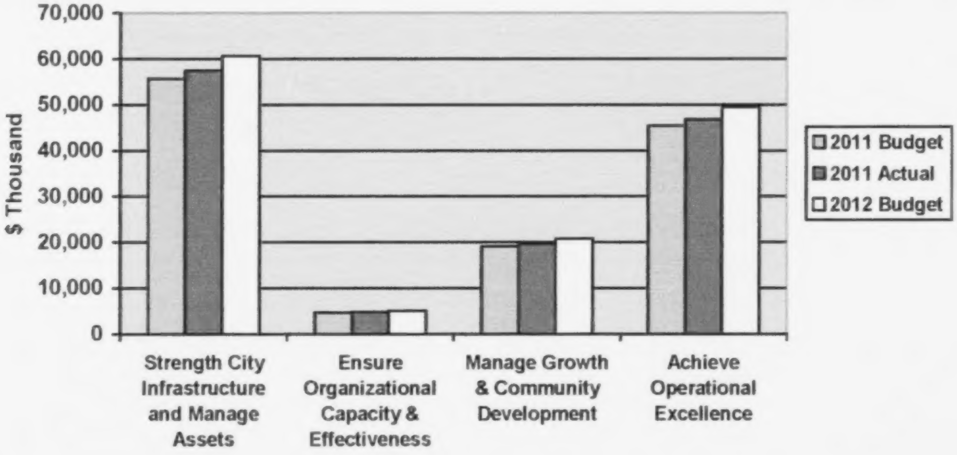
Outcomes

- Contemporary People Management

Operating Expenditure Summary ($000's)

To achieve the City's Strategic Priorities the City Operations Division has estimated its total allocation of operating budget as follows, which reflects its focus on infrastructure:

By Strategic Priority



In a more traditional format, the City Operations Division has summarized its operating budget as follows:

By Business Unit

Expenditures ($000's)	2011 Budget	2011 Actual	2012 Budget	Budget Change Dollar Change	Budget Change Per Cent Change
Office of Strategic and Business Services					
Business Services	1,402.1	1,342.1	**1,544.8**	142.7	10.2
Divisional Strategic Services	334.1	288.5	**335.0**	0.9	0.3
Engineering & Business Systems	420.0	330.8	**448.6**	28.6	6.8
Service Regina	1,023.4	834.3	**1,048.7**	25.3	2.5
	3,179.6	2,795.7	**3,377.1**	197.5	6.2
Transportation & Materials Services					
Roadway Preservation	1,875.3	1,883.1	**1,924.5**	49.2	2.6
Asphalt Production & Field Services	295.7	273.3	**292.9**	(2.8)	(0.9)
Traffic Signals & Lighting	6,297.3	6,513.0	**6,354.5**	57.2	0.9
Traffic Control & Parking	2,064.8	1,945.3	**2,086.1**	21.3	1.0
	10,533.1	10,614.7	**10,658.0**	124.9	1.2
Roadways Operations					
Roadways Administration	2,264.5	1,418.5	**2,194.6**	(69.9)	(3.1)
Asphalt Services	3,462.7	3,985.5	**3,776.8**	314.1	9.1
Concrete Services	964.6	846.6	**1,858.4**	893.8	92.7
Sweeping & Alley Services	4,957.8	4,615.6	**5,436.0**	478.2	9.6
Winter Road Maintenance	5,442.4	7,019.5	**5,842.3**	399.9	7.3
	17,092.0	17,885.7	**19,108.1**	2,016.1	11.8
Environmental Services					
Environmental Engineering	653.7	602.3	**650.0**	(3.7)	(0.6)
Solid Waste Collection	8,147.2	7,933.3	**8,025.0**	(122.2)	(1.5)
Landfill Operations	3,873.7	3,925.7	**3,404.9**	(468.8)	(12.1)
Transfer to Landfill Reserve	4,498.9	6,299.3	**7,415.9**	2,917.0	64.8
	17,173.5	18,760.6	**19,495.8**	2,322.3	13.5
Parks & Open Space Department					
Cemeteries	1,056.1	1,058.1	**1,107.4**	51.3	4.9
Golf Courses	2,537.8	2,340.2	**3,309.1**	771.3	30.4
Parks & Open Space Mgmt	11,349.3	11,262.7	**12,239.9**	890.6	7.8
	14,943.2	14,661.0	**16,656.4**	1,713.2	11.5
Fire & Protective Services Department					
Business Continuity & Emergency Planning	181.9	172.8	**185.2**	3.3	1.8
Fire Services	34,188.5	35,593.2	**37,265.2**	3,076.7	9.0
	34,370.4	35,766.0	**37,450.4**	3,080.0	9.0

By Business Unit, continued

Expenditures ($000's)	2011 Budget	2011 Actual	**2012 Budget**	Budget Change Dollar Change	 Per Cent Change
Transit Department					
Conventional Transit	20,689.6	21,147.6	**22,223.5**	1,533.9	7.4
Paratransit	4,041.0	4,081.9	**4,160.4**	119.4	3.0
	24,730.6	25,229.5	**26,383.9**	1,653.3	6.7
Facility Costs[1]					
Administration, Roadways & Traffic	348.6	413.1	**351.6**	3.0	0.9
Waste Management	197.5	221.2	**197.5**	-	-
Cemeteries	57.0	50.0	**56.5**	(0.5)	(0.9)
Golf Courses	370.5	356.8	**372.4**	1.9	0.5
Parks & Open Space Mgmt	584.2	445.4	**583.6**	(0.6)	(0.1)
Fire & Protective Services	455.7	570.9	**484.7**	29.0	6.4
Transit	843.5	1,029.8	**864.7**	21.2	2.5
	2,857.0	3,087.2	**2,911.0**	54.0	1.9
Total	124,879.4	128,800.4	**136,040.7**	11,161.3	8.9

Note:

1. *Facility costs are allocated from the Facilities Management Services Division of the Corporate Services Department.*

By Expense Object

Expenditures ($000's)	2011 Budget	2011 Actual	**2012 Budget**	Budget Change Dollar Change	 Per Cent Change
Salaries & Benefits	78,655.2	79,423.1	**81,292.7**	2,637.5	3.4
Employee Related Payments	248.8	288.7	**238.0**	(10.8)	(4.3)
Office & Administrative Expenses	1,016.2	1,374.1	**910.7**	(105.5)	(10.4)
Professional & External Services	5,510.4	4,366.5	**5,351.3**	(159.1)	(2.9)
Materials, Goods, & Services	8,691.1	8,793.1	**4,818.2**	(3,872.9)	(44.6)
Other Expenditures	6,992.1	9,031.7	**7,113.6**	121.5	1.7
Intra-Municipal Services	17,846.5	17,714.8	**25,672.6**	7,826.1	43.9
Civic Operating Costs	118,960.3	120,992.0	**125,397.1**	6,436.8	5.4
Transfer to a Reserve	5,919.1	7,808.4	**10,643.6**	4,724.5	79.8
Total Expenditures	124,879.4	128,800.4	**136,040.7**	11,161.3	8.9

Costing Fund

Expenditures ($000's)	2011 Budget	2011 Actual	**2012 Budget**	Budget Change Dollar Change	Budget Change Per Cent Change
Public Works:					
Granular Material & Asphalt Plant	6,599.9	6,801.8	**6,794.8**	194.9	3.0
Facilities Costs - Granular Material & Asphalt Plant	43.7	39.6	**43.9**	0.2	0.5
Total Granular Material & Asphalt Plant	6,643.6	6,841.4	**6,838.7**	195.1	2.9
Roadway Operations	1,367.8	1,717.3	**1,287.5**	(80.3)	(5.9)
Open Space - Landscape	1,480.4	2,247.1	**1,147.2**	(333.2)	(22.5)
Connection Maintenance & Repair	-	319.5	-	-	-
Total Public Works	9,491.8	11,125.3	**9,273.4**	(218.4)	(2.3)

Staff Complement

Full Time Equivalents	**2011**	**2012**
Permanent	860.3	824.3
Casual	188.0	199.0
Total	1,048.3	1,023.3

Note:
As a part of the City's Fleet Centralization program, 37 FTE have been moved from the General Operating fund to the Costing fund.

Analysis of Operating Expenditure Budget Change

Details		($000's)
2011 Budget		124,879.4
1.	Remove 2011 One-time Expenses. (Base)	(948.1)
2.	Salaries and Benefits - includes cost changes resulting from salary increases, in range progressions, classification reviews, Market Supplements, Benefits on Overtime and premium pay and employer benefit costs, including increases in the City's contribution to the Employees' Pension Plan. (Base)	4,286.5
3.	Salaries & Benefits Transferred to the 620 fund - The transit mechanics in T645 (35.0 Permanent FTE) and the Fire Fleet mechanics in P302 (2.0 Permanent FTE) were centralized under Fleet Services in the 620 fund during 2012. (Base)	(2,472.3)
4.	Other Non Salary and Benefits Transferred to the 620 Fund. (Base)	(4,640.1)
5.	Increase in allocated Fleet costs - Costs allocated by Corporate Services. Please note, the large increase in Fleet costs is due to a transfer of the Transit and Fire Fleet mechanics to the 620 fund (Out of 7.3 M 2.5M represents salaries and benefits and 4.6M other salary and non salary costs transferred to the Costing fund). (Base)	7,976.3
6.	Uncontrollable Price Increases - (Base)	411.4
7.	Increase in transfer to Golf Course Reserve. (Base)	724.8
8.	Increase in transfer to Cemetery Reserve. (Base)	29.5
9.	Electricity Costs - the expected rate increase from 2011 of $339,700 did not fully materialize and it is not currently anticipated that a rate increase would occur prior to July of 2012. Consequently, a portion of the 2011 increase has been returned. (Base)	(125.0)
10.	Increase in internal cost allocations for Gravel Alleys of $36,200 partially offset by a $3,800 decrease in internal cost allocations for Paved Alleys. (Base)	32.4
11.	Decrease in costs recovered from the Water and Sewer Utility. 40% of certain costs incurred by the Public Works Division are recovered from the Water and Sewer utility. (Base)	18.8
12.	Transfer to Landfill Reserve. The net revenues in the Landfill Operations are closed to the Landfill Reserve. (Base)	3,033.3
13.	Various small changes to Base Budget.	(6.0)
14.	Paved and Gravel Alley - the paved alley budget was increased by 4.4527% and the gravel alley budget was increased by 8.742% in order to align service level delivery to the 2012 budget and to previous years. In addition, administrative corporate overhead of 7% has been added to these programs for 2012. Please note that a total of 22% administrative corporate overhead will phased in over the next three years (2012 - 7%, 2013 - 7% and 2014 - 8%). These additional expenditures are fully offset by a corresponding increase in the Paved Alley and Gravel Alley levies. These proposed increases to both revenues and expenses have been approved in decision CR11-116 of City Council at their October 3, 2011 meeting. (On-going)	432.6

Details	($000's)
15. Snow Removal (1.22 Casual FTE) - closing the gap between policy requirements and budget. The current operating budget does not support the level of service outlined in the current winter maintenance policy. The current budgetary shortfall is estimated to be $1,323,700. An increase in the 2012 operating budget of $400,000 has been recommended in order to begin to close that gap. (On-going)	400.0
16. Local Street Maintenance (0.82 Casual FTE) - Increase cost of local street maintenance due to solid waste front cart collection to be handled by contracted services for patching. (On-going)	100.0
17. Solid Waste Collection (0.23 Casual FTE) - Increased funding is required for increase in volume due to population growth of approximately 1,000 homes annually. Funds are required for labour and tipping fees. (On-going)	47.5
18. Street Maintenance (0.31 Casual FTE) - Increases to the road network of ten km from new subdivision development (The Creeks, Fairways West, Maple Ridge, Harbour Landing, The Greens, etc.) requires a $16,000 asphalt maintenance increase to maintain the historical service level. (On-going)	16.0
19. Container Maintenance - With the conversion of alley containers, there is no longer a requirement for a maintenance budget. (On-going)	(40.0)
20. Salary Changes (no change to FTE) - The Administrative Support area within Business Services provides administrative support to Public Works. Initially, it was planned to provide Director and equivalent positions with out of scope support, similar to the Administrative Assistants to the General Managers. Thus, the positions were placed in the budget at this level in 2011. Upon final approval of the positions, the positions (Administrative Associates) were placed within the CUPE Local 7 bargaining unit. This request is designed to make two structural changes within Business Services: 1) Change the two Out of Scope positions to CUPE Local 7 positions, a reduction in salary and benefits to provide support to 2 Directors each and 2) Change a Clerk Typist III position to a Secretary 1 position to support the director equivalent position of Manager, Strategic and Business Services position, along with other City Hall staff within the Office, a slight increase.	(3.5)
21. Conversion of Casual FTE - (convert 3.24 Casual FTE into 2.0 Permanent FTE) - Currently, there is a lack of permanent and appointed staff on the maintenance side of asphalt services. This has created issues of accountability and leadership. It has also impaired the ability to provide proper safety training. There is no increase in expenditures as a result of this conversion.	0.0
22. Horticulture Technician (1.0 Permanent FTE) - Conversion of a funded, vacant permanent Forester II FTE, to an approved permanent Horticulture Technician FTE (On-going),	0.0
23. New Open Space due to growth (2.6 Casual FTE) - This represents funding to maintain the new park and open space which will be added to the inventory in 2012, as a result of new subdivision development or park upgrades. (On-going)	215.4
24. Transit Service to Residential Harbour Landing (1.0 Permanent FTE). This service would serve the newly developed residential areas of Harbour Landing. The Transit Department had planned Transit service to Harbour Landing utilizing Harbour Landing Drive and Parliament Avenue, both of which will be completed by the end of 2011. This feeder bus would travel on Harbour Landing Drive and allow residents to travel to the Golden Mile Shopping Centre via Parliament Avenue in order to transfer to buses either going to the University of Regina, Downtown, or to Campbell High School. (On-going)	99.5

Details	($000's)
25. Increase in Transit Fleet Replacement Reserve (On-going).	936.9
26. Transit janitorial - This funding supports the necessary janitorial services required for the addition of the Transit Washroom trailer on 12th Avenue. The funding also represents the additional costs of snow & garbage removal from in front of the Transit info centre. (On-going)	10.0
27. New #4 Fire Station Maintenance (0.2 Permanent FTE) - This initiative is to provide maintenance on the new fire station after the warranty period ends to ensure the facility has the ability to allow the Fire Department to deliver their required level of service. (On-going)	29.0
28. Douglas Park (0.1 Permanent FTE) - Maintenance funding is required to support the Douglas Park/Leibel Field Upgrades project. This funding request is a result of the approval and construction of a capital project and is for the maintenance of Leibel field turf lights, fencing, goalposts, water and electrical supply, field perimeter, bollards, score clock and Ladies Softball Diamond lights at the Douglas Park complex. (On-going)	12.0
29. Mosquito Control Program (2.6 Casual FTE) This Program will focus on controlling nuisance mosquitoes within the City boundaries. It will monitor and treat mosquito breeding sites every 7 - 10 days, including a 5 - 10 kilometre buffer zone around the City boundary.(On-going)	200.0
30. Mosquito Control Program (One-Time)	100.0
31. Transit Service on Winter Stat Holidays - Currently there is no Transit service on any statutory holidays. The Transit Investment Plan recommends Transit operate on statutory holidays with limited service. Transit is also consistently receiving requests for service on statutory holidays. We would provide service on all statutory holidays except New Years Day and Christmas Day. The holiday service would consist of the Sunday service schedule and would operate from 8:00 - 19:00. This expense is partially offset by $5,900 in pass sales revenue. (One-Time)	78.6
32. FTE Reallocated from the former C&PS Division (1.0 Perm FTE) (Base)	130.8
33. Term positions added to the Service Regina Branch in anticipation of an increased volume of inquiries due to reassessment (3.0 Casual FTE) (One-time).	75.0
2012 Budget	136,040.7

Note:
Base request funding – represents an increase in cost necessary to maintain current service levels.
Ongoing request funding – represents expenditures that would be ongoing past the current budget year.
One-time request funding – represents one-time expenditures for the current budget year.

Capital Investment Program

To achieve the City's Strategic Priorities the City Operations Division has estimated its total allocation of capital investments according to both Strategic Priority and functional Business Unit as follows:

By Strategic Priority

Expenditures (000's)	2011 Budget	2011 Actual	2012 Budget	Budget Change Dollar Change	 Per Cent Change
Strengthen Infrastructure & Manage Assets	33,669.0	22,939.0	**25,260.0**	(8,409.0)	(25.0)
Ensure Organizational Capacity & Effectiveness	-	-	-	-	-
Manage Growth & Community Development	907.0	617.9	**1,215.0**	308.0	34.0
Achieve Operational Excellence	4,810.0	3,277.1	**640.0**	(4,170.0)	-
Total	39,386.0	26,834.0	**27,115.0**	(12,271.0)	(31.2)

By Business Unit

Expenditures ($000's)	2011 Budget	2011 Actual	2012 Budget	Budget Change Dollar Change	 Per Cent Change
Roadways Infrastructure	16,802.0	17,846.0	**17,034.0**	232.0	1.4
Bridges	6,000.0	4,248.0	**2,750.0**	(3,250.0)	(54.2)
Traffic Control & safety	1,192.0	1,288.0	**2,705.0**	1,513.0	126.9
Waste Management	12,667.0	913.0	**1,710.0**	(10,957.0)	(86.5)
Parks & Open Space	1,275.0	1,347.0	**890.0**	(385.0)	(30.2)
Fire & Protective Services	850.0	-	**150.0**	(700.0)	(82.4)
Transit	400.0	1,164.0	**46.0**	(354.0)	(88.5)
Other	200.0	28.0	**1,830.0**	1,630.0	815.0
Total	39,386.0	26,834.0	**27,115.0**	(12,271.0)	(31.2)

Capital Project Funding Sources ($000's)	
Current Contributions	**10,886.0**
Gas Tax (GT)	**7,337.0**
Debt	**4,500.0**
Urban Highway Connector Provincial	**1,650.0**
Service Agreement Fees (Roads)	**361.0**
Developer Contributions	**130.0**
Landfill Reserve	**1,710.0**
Golf Course Reserve	**350.0**
Cemetery Reserve	**145.0**
Fleet Replacement Reserve	**46.0**
	27,115.0

Summary of Capital Investments

Details		($000s)
1.	Street Infrastructure Renewal - Asphalt resurfacing and concrete repair, consulting services, pavement asset management, local improvement walk, curb and gutter replacement, and reconstruction and resurfacing of roadways in conjunction with local improvement work.	17,034.0
2.	Bridge Infrastructure Renewal - Correction of structural deficiencies, inspection and engineering related to the safety and renewal of existing bridges.	2,750.0
3.	Traffic Control & Safety - This includes traffic signal rehabilitation and an alley lighting improvement program. Traffic signal rehabilitation is an annual program performing end of life asset replacement of 4% of the City's signalized intersections per year and includes the replacement of traffic signal poles, ducts, wiring, controls, lights, detection equipment, software, other ancillary supplies, and services based on the expected life span of poles and their components. The alley lighting improvement program arranges for and oversees the installation of alley lights under the Local Improvement Program.	2,705.0
4.	Other Transportation Projects - This includes 9th Ave. N. Winnipeg to McDonald Safety Improvements. There is a project to conduct a study of 9th Avenue North between Winnipeg Street and McDonald Street to ensure the roadway meets City standards for the volume and type of use.	1,830.0
5.	Landfill - Tractor Turner for Composting	140.0
6.	Waste Collection - This provides for future new facilities to deliver the waste management services adopted by Council from the Waste Plan Regina Report. Work involves planning, engineering, construction, and service delivery contracts. It also includes automated side loader refurbishment, property side recycling carts, recycling cart trucks and refuse cart population growth	1,570.0
7.	Irrigation System Restoration - For Restoring and replacing deteriorated irrigation system components to ensure effective operation in the City's parks and open space.	200.0
8.	Restoration - Multi-use Pathway Asphalt Recapping - some sections of the 30 kilometre pathway are in need of recapping.	195.0
9.	Cemetery Improvements & Repairs - Cemeteries General Allocation - construction of monument strip foundations, columbarium purchases and installation, new and infill tree and shrub plantings, landscape upgrades, road repairs, sign installation and irrigation restoration.	145.0
10.	General Golf Course Projects - Golf Courses General Allocation - mitigation of water erosion, course restoration and improvements at all four Golf Courses.	350.0
11.	Other Equipment Fire - Air Purifying Breathing Air Compressor/Fill Station - to support the filling of Self Contained Breathing Apparatus	85.0
12.	Fire Capital Equipment Restoration & Wellness - This program addresses unfunded equipment replacement needs according to NFPA Standards, CSA Standards and Occupational Health and Safety Regulations. It also includes the wellness/fitness equipment that supports the implementation and sustainability of the department's peer fitness program.	65.0
13.	Transit Cash Office Equipment - Funding is needed to purchase a new cash sorter and wrapper.	46.0
2012 Budget		27,115.0

Corporate Services Division

Mandate

"The Division excels in providing services and support to our customers, both internal and external; enabling City operations to maximize its effectiveness and potential. Our Corporate Services team includes Financial Services, Information Technology Services, Human Resources, Fleet Services, and Facilities Management Services."

Divisional Overview

As described in our Mandate, the Corporate Services Division's efforts remain committed to supporting the corporate priorities and to providing services to the other Divisions. Corporate Services has developed its second Divisional and Departmental plans towards delivering on the Corporation's Strategic Priorities by focusing on achieving a solid foundation. The focus of the plans and corresponding budget are to stabilize our core services and to more effectively support our customers now and in the long-term. The 2012 Divisional Budget is summarized into the following functional areas:

- Administration – The General Manager, along with the strategic services and administrative staff are responsible for strategic direction to the five Departments, related administrative support, as well as establishing and monitoring corporate policy and governance requirements.

- Facilities Management Services – The Department, led by the Director – Facilities Management Services, provides the space planning, construction project management, physical plant maintenance, and the day-to-day operation of City-owned facilities. The department also provides for the corporate facilities energy management and air quality programs, and the electricity and natural gas utility program for all civic facilities.

- Finance – The Department, led by the Director – Finance Department, provides internal and external financial reporting, accounting, budget, purchasing, cash management, and investment and debt management services for the Corporation. It manages customer service, billing, and collection for the City's water, wastewater, and drainage utility.

- Fleet Services – The Department, led by the Director – Fleet Services, supports the delivery of City programs and services by providing fleet management, maintenance, and operator training services. The department is also responsible for the Central Stores, Salvage, and Fuel Programs and management of the City's Towing Compound.

- Human Resources – The Department led by the Director – Human Resources, as strategic partners and innovative leaders, Human Resource's purpose is to guide and support the organization in attracting, optimizing, and retaining the high-performing workforce needed to achieve organizational goals. The Department focuses on the four key strategies of performance, talent, learning & development, and leadership and culture, and provides six core services: Labour Relations, Total Rewards, Organizational Development, Payroll, HR Information Management, and Healthy Workplace.

- Information Technology Services – The Department, led by the Director – ITS, provides leadership in business technology planning, using technology to enhance business processes and identifying new technology opportunities. The Department coordinates the selection, implementation, operation, and support of information technology and computerized applications used by the City. Other core services include the integration, sharing and security of data, as well as corporate telecommunications, printing, and mail delivery.

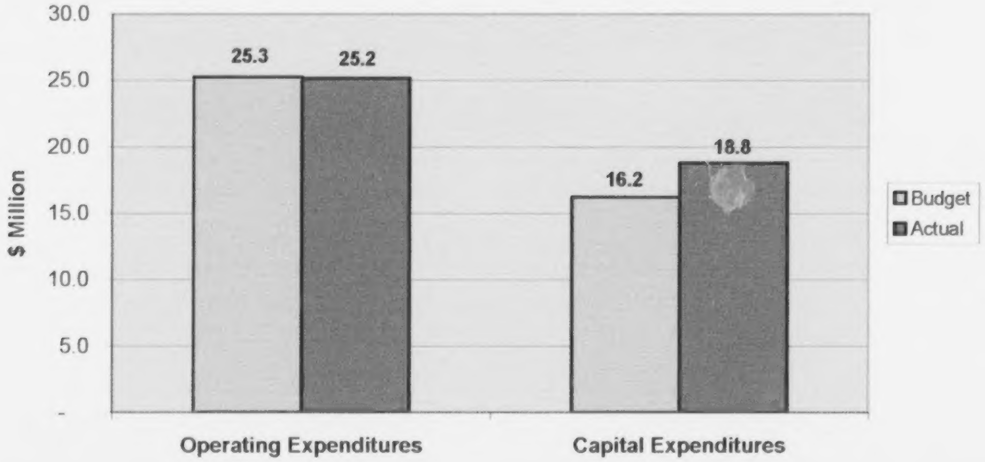
- Pensions and LTD – This business area reports to, and provides administrative services to several Pension and Long Term Disability Plans (LTD), which serve the City of Regina as well as other employers. This business area is funded through pension and long-term disability plans, and maintains a working relationship between the Plans' Administrative Boards and the Corporate Services Division.

Key Facts

- 74% of the total operating expenditures of this Division result from staffing related costs.
- Facilities Management Services supports more than 220 buildings and almost 400 additional structures that range from recreational, administrative, and operational buildings to spray pools, bus shelters, and park structures.
- The Finance Department is responsible for procurement, payments, and provides utility bills to 63 thousand 400 households within the City. Finance delivers the audited Financial Statements and develops the Operating, Capital and Utility budgets each year
- Fleet Services manages and maintains about 1,200 vehicles within the Civic, Transit and Fire fleets, and annually delivers more than 300 operator training sessions attended by more than 1,600 employees. The Supply Services branch maintains an inventory of more than 8,400 different items to support City operations.
- Human Resources support 288 client Managers and Supervisors, plus coordinators, team-leads, crew-leads, with managing and optimizing their Human Resources, encompassing more than 2,500 permanent, casual and seasonal employees. HR also supports employees directly in areas such as Benefits Administration and Compensation, and Payroll, and provides payroll services to several external, City-affiliated agencies.
- ITS supports 1,550 City staff, who utilize over 70 different business applications through a state-of-the-art network connecting 60 City facilities.

2011 Highlights

Financial Performance



Note:
In order to ensure comparability, the 2011 Actual Operating results in the chart above does not include the transfer of the 2011 General Operating Surplus to the General Fund Reserve.

Operational Highlights

Corporate Services remains focused on becoming a leader within the municipal sector and the following highlights from 2009 demonstrate this commitment:

- In 2011, Facilities Management Services developed the first Corporate Facilities Strategy. The document includes information on the current state of our facilities, industry trends in facility management and most importantly a set of principles that provide the foundation for Facilities to manage and care for all civic facilities. This document, the recently completed facility condition assessments and the proposed financing model will be the basis of informational presentations for both the Executive Leadership Team and Executive Committee in the near future.

- In August of 2011, the new artificial turf field at Leibel field was officially opened. The artificial turf field and field lighting were designed and constructed through a partnership with Regina Minor Football, Regina Soccer Association and Wascana Centre Authority. Funding contributors included the City of Regina and both sport groups. It was supplemented with both federal and provincial funding through the Recreational Infrastructure Canada Program (RInC). The new field replaces a natural turf field that was only available for booking 18 hours per week. In 2011, more than 5,000 young athletes used the new surface. Facilities Management Services and Community Services employees were responsible for managing the design, construction and partnership relationships throughout the $3.1 million project

- The Vehicle and Equipment Storage building (Chrysler Building), located at 1500 4th Ave. was acquired in 2006 for the purpose of converting it into heated equipment storage for the Parks and Open Space and Facilities Management Services Departments. The conversion of this facility to heated storage, along with the construction of a new Trades Shop are the two significant projects remaining from the Parks Yard Facilities Master Plan. Due to the availability of federal funding through the Infrastructure Stimulus Fund (ISF) the Master Plan timeline was revised to allow this project to proceed in 2011, rather than after the Trades Shop is completed. Additional work is planned for 2012 to complete the facility and prepare it for vehicle occupancy.

- The 2010 – 2011 winter brought much higher than average snow falls to Western Canada (highest average snowfall in 25 years). Facilities Management Services developed a program to ensure the safety and stability of the roofs for which this department is responsible. An inspection checklist was developed that was to be used for each roof inspected. The inspection and information on checklists triggered action to deal with heavy load situations. Through the development of this process standard operating procedures and a checklist were developed that will be used long into the future to monitor snow loads on all roofs.

- On a regular basis roofs require replacement. 2011 roof replacements included the Clarence Mahon Arena, the Regina Senior Citizens Centre (Elphinstone St.), the Fieldhouse and the #3 Fire Station. The roof systems had reached the end of their life expectancy and were in need of replacement. The new and upgraded roofing will serve these facilities for the next 30 years.

- Long term issues with the roof of Fire Station #3 resulted in mold contamination of the building. Air Quality tests conducted in July resulted in the requirement for immediate repairs. Together the Facilities Maintenance and Facilities Engineering branches developed a remediation plan that took into account safety, continued operations of the fire station and expediency. Remediation of the affected interior locations was undertaken in advance of roof repairs. All required material was removed from the building and cleaning completed within two weeks. Continual communication and working together to achieve the desired outcome resulted in this critical facility being able to remain operative during the repairs.

- Following the release of the Hay Group's HR Strategic Review in December 2009, the Human Resources Department re-defined its purpose and core strategies, re-structured and completed the first-stage transition of 2/3 of its staff into new roles, and introduced Client Service Teams. A customer survey in June 2010, nine months after the restructuring showed that customers in all corporate divisions are satisfied with service delivery and believe that the new structure has generated some early benefits. At the one-year anniversary, in September 2010, the HR Department is fully staffed and ready to move into the next growth phase.

- HR administered an organizational cultural inventory survey in December 2010, with results received in 2011 identifying our current corporate culture and that to which we aspire. This provides a baseline understanding of our culture that will enable cultural growth and change in the organization and support becoming a high-performing organization. HR will administer the cultural survey again in 2012 and then every second year, in alternate years to the Employee Engagement Survey, providing deep understanding of organizational growth factors.

- Based on learning from the cultural survey, HR has initiated a leadership effectiveness course that will help managers and leaders in the organization to build leadership strengths and further enable employee performance, improve organizational culture, and increase employee engagement.

- In September, HR initiated a project that has identified the core competencies managers and leaders in the organization need now and in the future to support high performance. Future development work will focus on these competencies, incorporating learning from engagement surveys and the cultural survey noted above.

- The Fleet Services Department continues to implement the recommendations of the GreenFleet Report to minimize the negative environmental impacts of the City's vehicle and equipment fleet. More hybrid vehicles were added to the fleet, including a hybrid refuse truck that was 75% funded by the Province's Go Green Fund.

- In the fall of 2009, a consulting firm was engaged to conduct a strategic review of the delivery of fleet services and recommend a service delivery method that will improve the efficiency and effectiveness of the delivery of fleet services across the organization. The consultant's report was received in early

2010. The key conclusion was that the provision of fleet services to the organization could be improved by replacing the current decentralized fleet management model with one that centralizes asset management and governance responsibility and retains maintenance operations in current locations but reporting to a central fleet organization. Implementation of the new model will be carried out in two phases. Phase One, which was completed in 2010, focused on centralizing all fleet asset management functions in Fleet Services. Phase Two, which began in early 2011, will complete the implementation process by transferring responsibility for the Transit and Fire garages to Fleet Services by January 2012.

- In 2011, a new Fleet Governance Committee was established. This new Committee engages stakeholders directly in decision making, encourages the development and use of leading fleet management practices, and will improve stakeholder confidence and trust.
- A five-year Funding Sustainability and Equipment Modernization Strategy continues to be implemented for the Transit and Fire fleets. When completed, the replacement of Transit and Fire fleet vehicles will be fully funded by a dedicated reserve, and the average age of both fleets will be reduced to accepted industry guidelines.
- The Business Transformation Program began by identifying key business processes to be reviewed, streamlined and enabled with automation where appropriate. The four-year program started by focussing on processes for cash payment and financial management, and requirements for corporate human resource management.
- Implemented new version of web management software (OpenCMS) to help business areas more effectively manage, maintain and administer the content of the City's web site.
- Enhancements made to the City's Ticket Tracer application will better enable the City to collect on outstanding parking tickets, resulting in additional revenue for the City. This includes the ability to flag, tow, impound and place a lien on a vehicle that has outstanding parking tickets.
- Data received from ISC now being loaded directly into the Tax & Assessment system (TAS), as well as on-line access being provided to property assessment cards (Liberty) in preparation for 2013 property reassessment.
- Upgraded Hansen call centre software to fix known problems and provide improved functionality for Service Regina."
- A pilot project was completed along with an implementation roadmap for the expanded use of mobile devices such as tablets and Smartphone within the City of Regina operations. Significant improvements in mobile technology have created an opportunity for the City of Regina to mobilize and provide a more effective workforce by allowing access to corporate email, information and applications from these types of devices.
- The Property Maintenance Bylaw actions (untidy/unsightly, property maintenance, junked vehicles and graffiti) and the Noxious Weeds Act actions have moved from paper-based business processes to electronic within the Hansen Suite. With this comes improved business process efficiency and accuracy, and increased customer service. All of the application information and property information is located in one system, which allows for quicker processing of requests because Bylaw will not have to check multiple manual sources in various locations.
- Bylaw Officers now have the mobile functionality out in the field having immediate access to the Bylaw case information within Hansen as well as systems such as the GIS viewer to view properties and access InSite to lookup phone numbers of city staff that they need to contact.

- An on-line interactive Cultural Map was developed, leveraging the Web mapping technology implemented in 2010.
- Continued expansion of the City's fixed broadband wireless network that connects Traffic Signals and buildings to the corporate network in order to provide enhanced functionality. .
- Implementation of a City Wide Information Technology Security Awareness program.
- Financial Services is the lead in implementing the capture and reporting of the Public Sector Accounting Board (PSAB) requirements for tangible capital assets. Over $1.5 billion in City assets have been classified and reported for the first time in the City's 2009 Financial Statements. The City will report on the complete stock of tangible capital assets and amortization in the financial statements to demonstrate stewardship and the cost of using those assets to deliver programs and provide services.
- The City of Regina implemented a new budget process for the 2010 budgets. Corporate business planning has provided strategic direction for operating and capital investments and a shortened budget cycle was integrated with the planning cycle to maximize input from the Public and City Council further refine strategic focus. The new process has enabled greater engagement from our Operating Divisions while increasing transparency.

Strategic Priorities

Corporate Services continues its focus in 2012 to achieve a solid foundation and set the stage to effectively support our customers in the short and long term. This means the Corporate Services division has confidence it can meet the basic service standards, including minimum levels of certification and asset management. City assets are protected and safe and core business functions are defined and understood, and core processes are documented. Corporate Services will achieve this solid foundation through:

- investing in people,
- investing in technology,
- improving and integrating processes,
- improving governance and stewardship; and,
- defining and managing service expectations.

The 2012 Divisional Budget provides the resources to deliver these results and is summarized as follows:

Strengthen City Infrastructure and Manage Assets

Key Areas of Focus

Corporate

- Development of a long-term Corporate Facilities Strategy, including a preventative maintenance program, revitalization plan for current facilities and a strategic approach to Facilities program management and the development of new facilities.
- Undertake an assessment of the financial and HR systems and processes challenges that exist in the corporation.
- Lead or provide support to a number of corporate projects including Fleet Centralization

Outcomes

- Effective financial management.
- Revitalized facilities.

- Effective fleet management.

Ensure Organizational Capacity & Effectiveness

Key Areas of Focus

Corporate

- Continue to support corporate organizational capacity in the operating divisions' organizational structure changes and the delivery of new projects and programs.
- Communicate to the operating divisions Corporate Services' role and responsibilities, service levels, performance measures, and customer satisfaction measures.

Divisional

- "Create a solid foundation" – address the significant staff shortage throughout the Division.
- Establish and document basic policy, procedures, and processes to ensure consistency, clarity, and stability for the division and organization.
- Completing the actions set out in the department business plans that align with the Corporate Strategic Plan and the Division Business Plan.
- Development of the Business Transformation strategy and roadmap.
- Undertake Strategic Workforce Planning to assess our staffing needs in the short and long terms.

Outcomes

- Appropriately skilled and knowledgeable employees.
- Engaged employees, supervisors and managers.
- Appropriate and efficient information technology tools in a secure environment.

Manage Growth and Community Development

Key Areas of Focus

Divisional

- Provide ongoing support and services to the operating divisions in the daily operations and the delivery of the new projects and programs.

Outcomes

- A compact urban form and sufficient supply of land for future growth.
- Optimization of existing infrastructure capacity.
- A consolidated approach to providing community investments.

Achieve Operational Excellence

Key Areas of Focus

Corporate

- Develop and implement process and program improvements, and other innovations which will increase our focus on customers, establish common understanding of business objectives and priorities, improve our capacity to work smarter and be better positioned to assist operating divisions achieve their business objectives.
- Continue to support programs and services that meet the needs of the community.

Divisional

- In partnership with Service Regina, re-develop the main floor of City Hall to provide a high quality, seamless and consistent approach to in-person service delivery to visitors to City Hall and improve security for employees, customers and assets.

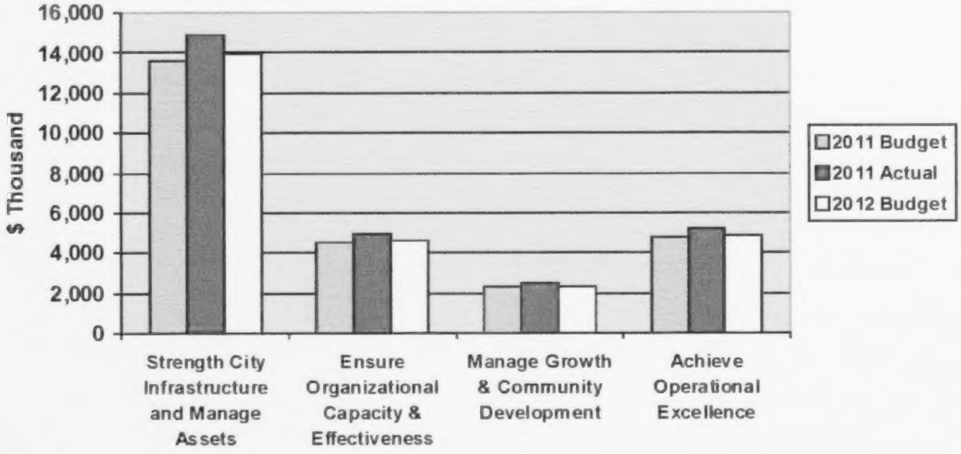
Outcomes

- Increased customer awareness and involvement.
- Increased customer satisfaction.
- Efficient, customer-focused processes.

Operating Expenditure Summaries ($000's)

To achieve the City's Strategic Priorities, the Corporate Services Division has estimated its total allocation of operating budget (including the Costing Fund) as follows:

By Strategic Priority



In a more traditional format the Corporate Services Division has summarized its operating budget as follows:

By Business Unit

Expenditures (000's)	2011 Budget	2011 Actual	**2012 Budget**	Budget Change Dollar Change	Budget Change Per Cent Change
Administration	667.9	612.7	**668.7**	0.8	0.1
Facilities Management Services	4,602.3	4,947.8	**4,746.0**	143.7	3.1
Finance	5,876.0	20,868.0	**6,030.7**	154.7	2.6
Human Resources	5,602.5	5,641.8	**5,508.1**	(94.4)	(1.7)
Information Technology Services	7,522.0	7,199.5	**7,823.7**	301.7	4.0
Fleet Services	907.8	1,024.2	**976.3**	68.5	7.5
Pensions & LTD	101.5	90.5	**102.6**	1.1	1.1
Total Expenditures	25,280.0	40,384.5	**25,856.1**	576.1	2.3

By Expense Object

Expenditures (000's)	2011 Budget	2011 Actual	**2012 Budget**	Budget Change Dollar Change	Budget Change Per Cent Change
Salary & Benefits	18,415.0	17,676.4	**18,972.0**	557.0	3.0
Employee Related Payments	423.0	242.3	**424.3**	1.3	0.3
Office & Administrative Expenses	1,974.0	1,704.1	**2,065.7**	91.7	4.6
Professional & External Services	2,204.2	2,767.2	**2,097.1**	(107.1)	(4.9)
Materials, Goods & Supplies	269.0	298.8	**862.9**	593.9	220.8
Other Expenditures	841.6	877.1	**232.4**	(609.2)	(72.4)
Intra-Municipal Services	758.4	1,088.3	**791.9**	33.5	4.4
Civic Operating Costs	24,885.2	24,654.2	**25,446.3**	561.1	2.3
Transfer to a Reserve	394.8	15,730.3	**409.8**	15.0	3.8
Total Expenditures	25,280.0	40,384.5	**25,856.1**	576.1	2.3

Costing Fund

The Corporate Services Division provides service to other Divisions that are charged out to their operating budgets. On a stand-alone basis, these costs are reflected as follows:

Expenditures (000's)	2011 Budget	2011 Actual	**2012 Budget**	Budget Change Dollar Change	Budget Change Per Cent Change
Corporate Services:					
Fleet Services	17,518.3	18,598.2	**26,475.3**	8,957.0	51.1
Facilities Costs - Fleet Services	474.1	411.2	**474.6**	0.5	0.1
Total Fleet Services Costs	17,992.4	19,009.4	**26,949.9**	8,957.5	49.8
Information Systems	1,516.8	1,467.7	**1,458.1**	(58.7)	(3.9)
Facilities & Energy Management	4,477.2	4,522.7	**4,619.8**	142.6	3.2
Total Corporate Services	23,986.4	24,999.8	**33,027.8**	9,041.4	37.7

Staff Complement

Full Time Equivalents (FTE's)	2011	2012
Permanent	277.1	278.4
Casual	18.6	18.6
Total	295.7	297.0

Analysis of Operating Expenditure Budget Changes

Details	($000's)
2011 Budget	25,280.0
1. Remove 2011 One-time Investments. (Base)	(235.0)
2. Salaries and Benefits - Includes cost changes resulting from in-range progression increases, classification reviews and employer benefit costs. (Base)	279.3
3. FTE Reallocated from the former Community & Protective Services Division (1.0 Perm FTE) (Base)	87.6
4. Correction - Standby Pay ($37,700) & Benefits on Overtime & premium Pay ($42,600) were not included in prior year's budget in error. (Base)	80.3
5. Correction - correct the amount budgeted for the annual maintenance fee for the City's payroll software. (Base)	50.0
6. Reallocation of Facilities costs associated with Parks & Open Space buildings ($20.0) and Mosaic Stadium ($13.0)	33.0
7. Uncontrollable Price Increases - Are those increases in expenditures that are due to price not volume. This increase cannot be managed by doing less, renegotiating a different price or going to a different supplier. (Base)	133.9
8. Various small changes to Base Budget.	14.0
9. Safety Consultant (1.0 Permanent FTE) - (Ongoing)	108.0
10. Parking Lots Initiative - this amount represents the repair and maintenance of the City Hall Parkade. This expenditure is fully offset by parking fees collected from employees. Please note, there is an additional $19,000 for other employee parking lots recorded in the Facilities Management Services costs attributed to Community & Protective Services. (On-going)	25.0
2012 Budget	25,856.1

Note:
Base request funding – represents an increase in cost necessary to maintain current service levels.
On-going request funding – represents expenditures that would be ongoing past the current budget year.
One-time request funding – represents one-time expenditures for the current budget year.

Capital Investment Program

To achieve the City's Strategic Priorities the Corporate Services Division has estimated its total allocation of capital investments according to both Strategic Priority and functional Business Unit as follows:

Strategic Priority

				Budget Change	
Expenditures (000's)	2011 Budget	2011 Actual	**2012 Budget**	Dollar Change	Per Cent Change
Strengthen Infrastructure & Manage Assets	13,697.0	15,894.4	**16,595.0**	2,898.0	21.2
Ensure Organizational Capacity & Effectiveness	1,963.0	2,277.9	**814.0**	(1,149.0)	(58.5)
Manage Growth & Community Development	540.0	626.6	-	(540.0)	(100.0)
Achieve Operational Excellence	-	-	**42.0**	42.0	100.0
Total	16,200.0	18,798.9	**17,451.0**	1,251.0	7.7

Business Unit

				Budget Change	
Expenditures (000's)	2011 Budget	2011 Actual	**2012 Budget**	Dollar Change	Per Cent Change
Facilities Management Services	1,350.0	1,583.0	**5,585.0**	4,235.0	313.7
Fleet Services	12,987.0	14,454.0	**9,400.0**	(3,587.0)	(27.6)
Information Technology Services	1,863.0	2,762.0	**2,466.0**	603.0	32.4
Total	16,200.0	18,799.0	**17,451.0**	1,251.0	7.7

Summary of Capital Investments

	Details	(000's)
	Facilities Management Services – Major Projects	
1.	Corporate Services –Major projects in Corporate Services include upgrades to Mosaic Stadium to keep the facility in a reasonable state of repair to allow current programming to continue effectively. It includes the development of corporate office space for new employees, fleet fuel dispensing equipment upgrades and Parks and Facilities yard facility improvements.	1,185.0
2,	Community Planning & Development – Includes a cold storage building for the Joanne Goulet golf course, a Lawson Aquatic Centre bleacher upgrades and the roof replacement for the Core Ritchie Neighbourhood Centre and Al Ritchie Arena, Mount Pleasant Soccer Washroom Building and the Uplands Neighbourhood Centre.	1,695.0
3.	Asset Revitalization & Sustainability – This is funding for the regular capital maintenance of all facilities to ensure safety of occupants and long-term use and preservation.	2,705.0
4.	**Fleet Services** In 2012, a total of 95 fleet vehicles and mobile equipment units are planned to be replaced. Included are 79 Civic fleet units, 14 Transit fleet units (8 Transit buses and 6 Paratransit buses), and 2 Fire fleet units (1 rescue truck and 1 support vehicle). Replacement of these units will preserve an acceptable average fleet age and maintain acceptable vehicle availability, safety, reliability, productivity, and maintenance costs.	9,400.0
	Information Technology Services	
5.	Business Applications – In 2012, the following business applications will be implemented: Bylaw Automation within the Planning division; Emergency Pre-emption Central Management Software within the Fire Department; and the Business Transformation project. This project is focused on improvements to the City's core enterprise applications, leveraging the existing Oracle eBusiness Suite (Financial and Purchasing) and including a budgeting system replacement, Asset Management (TCA), and requirements gathering for an HR/Payroll System.	1,956.0
6.	Supporting Infrastructure – In 2012, the technology infrastructure will focus on updating Sustainable Infrastructure, improving IT Security Monitoring, and managing Technology Growth.	510.0
	2012 Budget	17,451.0

Community Planning & Development Division

Mandate

"We provide a long-term comprehensive approach to planning, engineering and development processes to ensure the efficient use of land and community infrastructure in creating a city that reflects Council's Vision and the goals of Regina residents. Specifically, the Division encompasses land use, neighbourhood, transportation and infrastructure planning, long-range capital planning, development review, building permits and inspection, real estate services and community services."

Overview

The Community Planning & Development Division is primarily focused on managing growth, development and the provision of infrastructure which is responsive to the needs, and aspirations of the community. In addition the Division seeks to improve the quality of life through community development services that contribute to building strong communities and neighbourhoods. The Division is organized into the following functional areas:

- Planning and Sustainability – This Department, led by the Director and consisting of four Branches – Building Standards, Development Review, Comprehensive Planning, and City Centre – is responsible for preparing and maintaining the Official Community Plan (OCP) to guide the future growth of Regina, and the implementation of the OCP through zoning, subdivision approval and building permitting and inspection processes. The Department is responsible for regulation of zoning and building standards compliance and administers housing, heritage and sustainability programs to enhance quality of life. The planning process is collaborative and responsive to the community, and dedicated to guiding development in a manner, which is cost effective in its demand for infrastructure, achieves a high quality of life, provides housing choice, and is sustainable.

- Development Engineering – This Department, led by the Director, consists of two branches – Technical Services and Infrastructure Development. The Technical Services Branch manages infrastructure related activities to provide City-wide services. These activities include coordination of development, infrastructure renewal and capital construction; provision of geomatics and drafting services in support of construction programs, maintenance of infrastructure assets database, and liaison with utilities, and other outside agencies. The Infrastructure Development Branch is responsible for long-range infrastructure planning, design and construction, as well as the review and approval of new development. The Infrastructure Development Branch also manages development policies and programs related to standards, specifications, and fees.

- Assessment and Property Taxation – The Assessment and Property Taxation Department is responsible for assessment, property tax administration, and real estate services within three branches. The Assessment Branch is responsible for assessing all properties in accordance with *The Cities Act* and the assessment manual and board orders adopted by the Saskatchewan Assessment Management Agency. The Property Taxation and Administration Branch is responsible for the administration of property tax revenues including billing and collections, local improvement and special levies and assessment administration including notices, market data and surveys, property ownership and school support records. There is a province-wide reassessment every four years mandated by provincial legislation. The data collection and verification work for the 2013 reassessment is already underway The Real Estate Branch provides the City of Regina with all required real estate services, including industrial land development, the purchase or lease of properties when needed for City operations, the sale or lease of City-owned properties, disposition of properties taken under the tax enforcement process, acquisition of easement rights, and the provision of real estate information and services to local developers, real estate agents and City residents. A review of real estate services was conducted in 2009 and improvements are being implemented over 2010 and 2011.

- Community Services Department - This department's mandate is to make life better through community development services that contribute to building strong communities and neighbourhoods. The department has identified three core service areas to fulfil this mandate.

  Facility, Program and Special Events
  The Department:
  - Develops plans to provide arts, culture, recreation, sport and community facilities directly or through partnerships.
  - Leads and facilitates open space planning processes and projects, using a community engagement approach.
  - Provides programming and operate city-wide, community destination and neighbourhood hub facilities (including arts and culture facilities, fitness and aquatic facilities, outdoor sport and recreation facilities, arenas and skating rinks, community and neighbourhood centres).
  - Coordinates arts, culture, sport and recreation special events, such as competitions, festivals, concerts, and community events.

  Community Capacity Building
  The Department:
  - Provides consulting services to arts, culture, recreation and sport organizations, neighbourhood based associations, and organizations with a social development mandate.
  - Manages the distribution of community investment funding, which is provided to community based organizations to fulfill their mandates where the investment helps the City to achieve its vision and strategic priorities.

  Community Engagement and Leadership
  The Department:
  - Provides leadership and support to help communities identify and address issues such as crime prevention, poverty reduction, and graffiti management.
  - Leads or provides leadership for collaboration and partnerships with other levels of government, private and non-profit sectors to address community and social issues and to provide arts, culture, recreation and sport facilities.

Key Facts

- Currently, the City provides over $1 million per year in tax exemptions to promote housing development through the Neighbourhood Building Blocks housing incentive programs. In 2011, 59 properties qualified for exemptions under the Housing Incentives Program. In total, 303 housing units received exemptions to stimulate housing development.

- The City funds affordability and sustainability initiatives through the Social Development Reserve. In 2011, approximately 3.2 million dollars of funding will be applied to Provincial, Not-for-Profit and private developments that meet the affordability criteria of the programs. Further, the City provided over $200 000 to Habitat for Humanity in land in 2010 and will be providing approximately $400 000 worth of land to low income developers in 2011.

- Through zoning and building permit processes, the Division will direct a record projected $450 million worth of new construction in Regina in 2011 to achieve community development objectives.

- Approximately 20 zoning bylaw amendments and 30 discretionary use applications are projected to be processed through Regina Planning Commission and City Council in 2011.

- Over 40 subdivision applications are projected in 2011 resulting in new sites to accommodate development in a climate of sustained economic growth. As well, approximately 20 lot severance applications are projected to be through to the end of 2011.

- Responses were given for 20 development application referrals from the RM of Sherwood.

- Approximately 70 applications for development appeals will be processed through the Development Appeals Board to the end of 2011. There are approximately 25 minor variances projected to be approved in 2011.

- Approximately 600 commercial permits will be reviewed for zoning and landscape compliance in 2011. Commercial permit activity is expected to remain strong into 2012.

- Approximately 170 permanent sign permits will be processed in 2011 and 650 portable sign permits were issued.

- Implementation of the Regina Downtown Neighbourhood Plan (RDNP) continues with the projected completion of the City Square Plaza in the fall of 2011. In addition to the completion of the first phase of the plaza, the City Centre Branch focussed its efforts on the implementation of the action items of the RDNP. Highlights include the drafting of a Commercial facade Renewal Strategy, Sidewalk Cafe Guidelines, City Square Programming and Management Strategy, Part G of the OCP, and Direct Control District zoning for the downtown.

- Construction of Grasslands, a commercial development in Harbour Landing, continued in 2011 along with continued development of a variety of housing forms in Harbour Landing In addition subdivision and development activity continued in a number of suburban concept plan areas including Greens on Gardiner, The Creeks, Skyview, Lakeridge Addition, Mapleridge, and Fairways West.

- The City continues to work with the Global Transportation Hub Authority and has reviewed two new applications for tenants within the area.

- Heritage-related activities in 2011 included providing direction on development applications and approvals and providing support for provincial and municipal heritage initiatives.

- The Community Planning and Development Division completed its review of a concept plan for the area north of the Argyle Park/ Englewood communities. This area is known as Hawkstone and the first phase of development was reviewed in 2011. This area consists of a mix of commercial and residential land uses, which is projected to house an additional 4,000 residents upon completion.

- A concept plan approval was also granted for the extension of the Westhill Park neighbourhood for lands between the existing development and Pinkie Road.

- Major infill developments in 2011 included the redevelopment of the former Regent Park School site, a new high rise residential tower at the southwest corner of Broad Street and 15th Avenue, and continued development on the Canterbury Park site on the former Arch Diocese of Qu'Appelle lands.

- In 2011, approximately 60 hectares of new development are projected to be approved through 13 servicing agreements.

- Fourteen Construction Completion Certificates and six Final Acceptance Certificates are projected to be issued in 2011.

- The Licensing & Municipal Fines Branch sent out over 15 thousand animal license renewals in 2011.

- Since April 2011, over 200 cat and dogs have been sterilized by the Regina Humane Society as part of the City-funded, no cost/low cost spay and neuter program.

- 94.8% of the total operating expenditure of the Division results from staff related costs. Our product is information used to leverage all development activity in the City in a manner intended to align with and achieve community objectives.

- Each year, there are more than one million individual visits to participate in sport or leisure activities at one of the City's four major recreation facilities while the City's neighbourhood and community operated centres provide opportunities for 450,000 to participate in recreation activity. There are five outdoor pools in Regina and citizens participate in approximately 100,000 outdoor pool swims per summer.

- Each year approximately 70 thousand people visit the Neil Balkwill Civic Arts Centre (NBCAC) for a variety of exhibitions, arts and culture programs/opportunities as well as hosting their own cultural events from the site.

- The Division manages eight indoor arenas, 21 boarded outdoor ice sites, 42 pleasure skating sites (without boards), and an outdoor speed skating oval providing winter recreational and competitive opportunities for residents of Regina.

- Approximately 25 thousand participants each year are active at one of the 179 ball diamonds, 94 athletic fields (e.g. soccer, football, field hockey, lacrosse, rugby, lawn bowling greens) or Mosaic Stadium at Taylor Field. These facilities provide opportunities for recreational sports, personal fitness and amateur sporting competitions.

- The Division operates five neighbourhood recreation centres and has partnership arrangements with five community operated centres and two senior's citizen centres. These 12 facilities provide low cost and accessible recreational, social, and educational opportunities for residents of all ages and interests.

- The Division manages the Civic Art Collection, which includes 342 pieces many of which are displayed throughout civic facilities and public spaces. In addition, the department processed over 80 film permit requests; developed an interactive cultural map.

- The City of Regina's Graffiti Management Program was enhanced to better support property owners who have been a victim of graffiti vandals with a focus on downtown.

- The City's Affordable Fun Program provided opportunities for approximately 2,000 low income individuals to participate in a variety of City arts, culture, sport, and recreation and leisure programs.

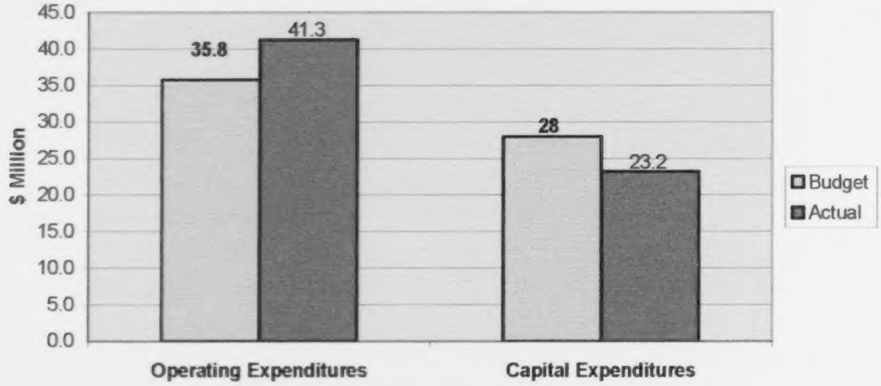
- Through community investment funding of $3,300,000, financial support is provided to approximately 150 community and partner organizations. These investments help enable organizations to build community capacity to address neighbourhood and social issues and also support programs, festivals, and special events which help make Regina a vibrant community.

- Each year, over 28 thousand bylaw related inspections are done by the Bylaw Enforcement Branch

- Bylaw Enforcement responds to over 10 thousand Requests For Service (RFS) each year, which is 21% of the total service calls received by Service Regina.

2011 Highlights

Financial Performance



Operational Highlights

- Approximately 2,500 building permits were issued for a record of over $425 million worth of construction. In 2012, this is expected to increase by approximately 15% to be another historical record.

- The development of the City's Official Community Plan (OCP) was launched as Design Regina in May. The focus of Design Regina in 2011 was on public engagement to understand the opportunities and constraints in our community that should be considered as a long term plan is developed, to better understand what the community thinks the aspirational statements of the Vision mean, and to develop strategic priorities that will provide direction for the plan and its policies which will be developed in 2012. As well, research continued to be undertaken to improve the understanding of the current state of the community and identify trends to consider as the plan and its policies are developed. The OCP is anticipated to be completed in 2013.

- Work continued on the implementation of new urban design standards in the downtown with the review of an office tower proposal at the northeast corner of Rose Street and 12th Avenue. It is expected that the review and consideration of this proposal will be completed in the fall of 2011. This development is in addition to other previously approved projects in the downtown including Capital Pointe, Gardens on Rose, Hill Tower III, and an office building on the corner of Albert Street and 11th Avenue. Construction work on the latter two commenced in 2011.

- Alternative transportation initiatives saw success in 2011. In the national Commuter Challenge, Regina ranked second in its size category but won by emission savings and sustainable travel distance. It also was named one of the top cities overall in terms of the number of participants. As well, Regina's Rideshare promotion in October saw great participation in the Pledge to Pool program, in stride with other western cities including Calgary and Kelowna.

- A Secondary Plan was prepared and approved for a new industrial area, the West Industrial Lands, which covers approximately 1,300 hectares west of Courtney Street. The Secondary Plan establishes high level land use policy for the area. Preparation of the plan was a collaborative process with the GTH and other land owners, and sets the stage for the review and processing of more detailed plans.

- The Condominium Conversion Policy Review was initiated in June 2010, following the decisions made on outstanding applications. The process, which involves extensive research and consultation, is expected to be completed in the fall of 2011.

- Activity continues in design and tender and/or review, approval, and construction of major transportation and utility projects that support residential, industrial, and commercial growth in the City. Areas of development include the residential subdivisions of Harbour Landing in the Southwest, the Greens on Gardner and the Creeks in the Southeast, Skyview and Lakeridge Addition in the Northwest and the GTH industrial subdivision located immediately west of the city.

- Phase 1 of the City's Transportation Master Plan was completed with Phase 2 planned for 2012. In addition, the Citywide Wastewater serviceability study, Northeast Sector Serviceability study, Southeast Sector Serviceability study and Southwest Serviceability study are underway. These plans and studies will be used in the development of the City's Official Community Plan.

- Through consultation with the Regina and Region Home Builders Association, a new Servicing Agreement Fee and Development Levy Policy was adopted, which sets the 2012 SAF Rate.

- There were 830 survey requests and 350 drafting requests and GIS records for 16,700 underground assets were established or modified. Development Engineering also assisted in the registration of 150 plans and easements, administered 160 new water/sewer connections and sidewalk crossings, inspected 45 sites during construction, and located services for developers, builders and utilities approximately 400 times.

Strategic Priorities

The Community Planning & Development Division is the City's lead Division in the planning and management of the City's growth. The functions of the Division as they relate to growth can be described as "dirt to dollars" – ability to take land (dirt) through the planning, design, development, and building process to assessment and finally taxation (dollars).

In a municipality where the size and needs of the population are in flux, this approach allows Community Planning & Development to drive strategic development through innovative tax policies and realize revenue that can be directed into buildings and sustaining public services. The City's approach to comprehensive planning is holistic, it looks at the physical, economic, environmental, social, and cultural developments of the City and focuses a wide-angle lens on the community that is in the process of being planned and built.

The Division's role in the development process begins with the establishment of a hierarchy of comprehensive policies, strategies, and plans to manage the growth of the City. The top most plan is the Official Community Plan (OCP) that addresses City and city-wide policies. The OCP is the adopted official statement of the City for future development and conservation. It sets out goals; analyzes existing conditions and trends; describes and illustrates a vision for the physical, social, economic, and cultural characteristics of the community in the years ahead; and outlines the policies and guidelines intended to implement that vision. An OCP addresses a broad range of interrelated topics in a unified way, and identifies and analyzes the important relationships among the economy, transportation, community facilities and services, housing, the environment, land use, human services and other community components. It does so on a community-wide basis and in the context of the broader region.

The 2012 Divisional Budget provides the financial resources to deliver these results and is summarized as follows:

Strengthen City Infrastructure & Manage Assets

Key Areas of Focus

Corporate

- Complete appeals arising from the 2012 assessment
- Preparation of the 2013 Reassessment

Divisional

- Update and integrate data systems (existing and in-development) across the Division, working toward automation, improvement of workflow processes between work units, improved data sharing, using GIS to its full capability, linking the new Permit Application Inspection Database (PAIID) to the current TAS system, and managing data origin.
- Review and revise, where necessary, standards and specifications.
- Annual review of Servicing Agreement Fee Rate.
- Implement Planning & Sustainability Fee and Operational Review.

Outcomes

- Effective financial management.
- A responsive, diverse, well-managed open space system that includes parks, pathways, the urban forest, and landscapes.
- Reliable water, wastewater, storm, and roadway infrastructure.
- Revitalized facilities.
- Effective fleet management.
- Rigorous data and monitoring of key performance indicators.

Ensure Organizational Capacity & Effectiveness

Key Areas of Focus

Corporate

- Documentation and review of core business processes to identify areas for improvement, clarify roles and responsibilities, eliminate duplication of work, and understand the relationships between the various branches and departments involved in the processes.

Divisional

- Implement the recommendations of the review of real estate services to ensure the real estate portfolio management of the City's properties are done in the most effective way possible.
- Identify proactive means of preparing for and reducing, future vacancies including succession planning, recruitment strategies and retention strategies (including orientation and mentoring).
- Develop succession plans to ensure retention of corporate knowledge in the event of resignations or retirements.
- Under the Contemporary Workplace Strategy, focus on activities related to training and team building.
- Implement Planning & Sustainability Fee and Operational Review.

Outcomes

- Improved business plans and models.
- Effective performance measurement and performance management.
- Skilled, knowledgeable and engaged employees, supervisors and managers.
- A representative workforce.

Manage Growth & Community Development

Key Areas of Focus

Corporate

- Implementing the development of the Official Community Plan, Design Regina, that will guide decisions on development, investments, services, and actions towards achieving the Vision.
- Developing a Transportation Master Plan that provides for the effective and efficient movement of people and goods, considers all modes of transportation including vehicular, bicycle, transit, and pedestrian.
- Informing the Official Community Plan through sector level serviceability studies (water, wastewater, and storm water) completed in 2011 which identify infrastructure requirements for new growth.
- Providing sound land use, transportation and infrastructure planning for major projects such as the Global Transportation Hub, new neighbourhoods and other key economic development projects in a time-sensitive manner that ensures sustainable development while facilitating economic growth.

Divisional

- Develop the new Official Community Plan.
- Prepare and implement a Transportation Master Plan.
- Implement the Regina Downtown Neighbourhood Plan.
- Develop major City industrial land holdings, including North Argyle Park and Ross Industrial Park.

Outcomes

- A compact and sustainable urban form and sufficient supply of land for future growth.
- Increased pedestrian, bicycle and public transit use.
- Optimization of existing infrastructure capacity.
- Directed investment to enhance the vibrancy of downtown.

Achieve Operational Excellence

Key Areas of Focus

Corporate

- The development and implementation of activities in a Divisional customer service plan, aligned with the Corporate Customer Service Strategy, ensuring that sufficient capacity and resources exist for thorough, effective, and timely response to customer inquires and the various applications processed by the Division.

Divisional

- Implement Planning & Sustainability Fee and Operational Review.
- Undertake Development Engineering Operational Review.

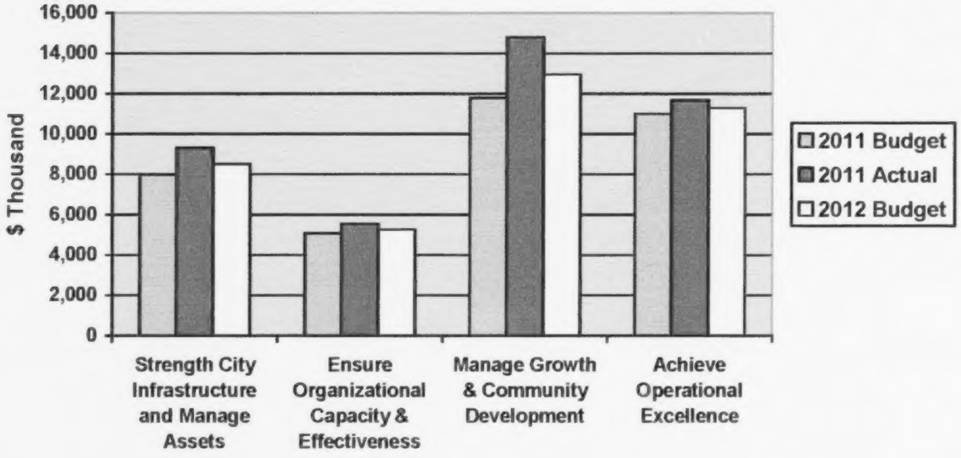
Outcomes

- Increased customer awareness and involvement.
- Increased customer satisfaction.
- Efficient, customer-focused processes.

Operating Expenditure Summary ($000's)

To achieve the City's Strategic Priorities the Planning and Development Division has estimated its total allocation of operating budget as follows:

Strategic Priority



In a more traditional format, the Planning and Development Division has summarized its operating budget as follows:

Business Unit

				Budget Change	
Expenditures (000's)	2011 Budget	2011 Actual	**2012 Budget**	Dollar Change	Per Cent Change
Administration	392.6	538.3	**429.4**	36.8	9.4
Planning & Sustainability					
Office of the Director	3,450.1	4,240.9	**4,664.1**	1,214.0	35.2
Building Branch	492.6	420.5	**63.1**	(429.5)	(87.2)
Development Review Branch	608.6	571.2	**490.0**	(118.6)	(19.5)
Comprehensive Planning Branch	1,121.7	1,198.1	**1,205.5**	83.8	7.5
City Centre Branch	542.0	948.1	**552.4**	10.4	1.9
Transfer to the Social Development Reserve	-	4,000.0	**-**	-	-
	6,215.0	11,378.8	**6,975.1**	760.1	12.2
Development Engineering					
Office of the Director	394.0	366.6	**431.3**	37.3	9.5
Technical Services Branch	852.4	872.0	**877.9**	25.5	3.0
Infrastructure Development	923.3	725.9	**1,051.8**	128.5	13.9
Licensing & Municipal Fines	2,977.2	3,162.6	**3,782.2**	805.0	27.0
	5,146.9	5,127.1	**6,143.2**	996.3	19.4
Assessment & Taxation					
Assessment Valuation Branch	2,305.6	2,139.2	**2,299.4**	(6.2)	(0.3)
Property Tax & Administration Branch	2,041.8	1,734.6	**2,102.8**	61.0	3.0
	4,347.4	3,873.8	**4,402.2**	54.8	1.3
Community Services					
Business & Infrastructure Planning	2,042.5	2,126.9	**1,310.5**	(732.0)	(35.8)
Community & Cultural Development	1,742.9	1,670.2	**1,751.1**	8.2	0.5
Facilities & Energy Mgmt Costs	668.6	616.1	**650.2**	(18.4)	(2.8)
Sport & Recreation	5,703.5	6,831.9	**5,940.0**	236.5	4.1
Outdoor Recreation Facilities	926.1	852.9	**909.2**	(16.9)	(1.8)
Facilities & Energy Mgmt Costs	7,573.9	7,378.6	**7,621.6**	47.7	0.6
Bylaw Enforcement	1,839.5	1,802.2	**1,875.0**	35.5	1.9
	20,497.0	21,278.8	**20,057.6**	(439.4)	(2.1)
Total	36,598.9	42,196.8	**38,007.5**	1,408.6	3.8

Expense Object

Expenditures (000's)	2011 Budget	2011 Actual	2012 Budget	Budget Change Dollar Change	Budget Change Per Cent Change
Salaries & Benefits	24,777.2	23,870.0	**25,201.5**	424.3	1.7
Employee Related Payments	339.9	394.8	**352.9**	13.0	3.8
Office & Administrative Expenses	755.3	833.8	**1,105.9**	350.6	46.4
Professional & External Services	2,323.2	2,580.9	**2,369.5**	46.3	2.0
Materials, Goods & Supplies	777.2	862.7	**794.1**	16.9	2.2
Community Investment	12.5	476.9	**12.5**	-	-
Other Expenditures	4,731.2	5,686.8	**4,785.5**	54.3	1.1
Intra-Municipal Services	2,646.3	2,440.3	**2,894.1**	247.8	9.4
Civic Operating Costs	36,362.8	37,146.2	**37,516.0**	1,153.2	3.2
Transfer to a Reserve	236.0	4,780.6	**491.5**	255.5	100.0
Total Expenditures	36,598.8	41,926.8	**38,007.5**	1,408.7	3.8

Costing Fund

The Real Estate operation is a part of the Planning and Development Division and is accounted for in the costing fund. The net surplus or deficit of real operations is closed to the Land Development Reserve.

Expenditures (000's)	2011 Budget	2011 Actual	2012 Budget	Budget Change Dollar Change	Budget Change Per Cent Change
Community Planning & Development:					
Real Estate	2,948.6	10,718.9	**2,980.0**	31.4	1.1
Facilities Costs - Real Estate	1,223.7	1,299.1	**1,192.5**	(31.2)	(2.5)
Total C P & D	4,172.3	12,018.0	**4,172.5**	0.2	0.0

Staff Complement

Full Time Equivalents	2011	2012
Permanent	236.5	240.5
Casual	65.1	65.1
Total	301.6	305.6

Analysis of Operating Expenditure Budget Change

Details	($000's)
2011 Budget	36,598.9
1. Remove 2011 One-Time Expenses (Base)	(1,556.90)
2. Salaries & Benefits - Includes cost changes resulting from in range progression increases, classification reviews and employer benefit costs. (Base)	598.8
3. FTE and associated costs reallocated from the former C&PS Division $50,300 (1.0 Perm FTE) and long term disability payments for a former employee $29,000. (Base)	79.3
4. Costs from the former Community & Protective Services Division reallocated to the remaining Divisions	(755.70)
5. Transfer to Planning & Sustainability Reserve. (Base)	486.7
6. Correction - correct the amounts under budgeted in prior year's budget. This includes items like office supplies, phones, allocated Computer Lease costs and Output Device costs. (Base)	41.4
7. Correction - correct the amounts budgeted for pavement marking, water testing, and other equipment associated with development review and inspection. (Base)	5.0
8. Salaries and benefits expense for market supplements. (Base)	41.6
9. Benefits expense related to overtime and premium pay. (Base)	73.1
10. Uncontrollable Price Increases - Are those increases in expenditures that are due to price not volume. This increase cannot be managed by doing less, renegotiating a different price or going to a different supplier. (Base)	1.3
11. Decrease in Allocated Fleet costs - Costs allocated by Corporate Services. (Base)	(16.70)
12. Increase in costs associated with reclassification of eight Development Assistant's positions. (Base)	20.0
13. Increase in costs to maintain annual licences for three programs that Development Engineering Department manages: EMME, Synchro, and Auto turn. (Base)	10.0
14. Increase in Banking Fees and Collection Agency Fees (Base)	60.5
15. Correct Internal Cost Allocation to 130 Fund. (Base)	46.7
16. Commissionaire costs transferred from Regina Police Service re: Parking Enforcement. (Base)	334.3
17. Various small changes to Base Budget. (Base)	6.6
18. Landscape Design Technologist (1.0 Permanent FTE) - This new position will administer the landscape plan review and approval process, which is part of the servicing agreement requirements of new subdivisions. This expenditure is fully offset by SAF fees. (On-going)	64.4
19. Parking Enforcement - Additional Operating Costs (On-going)	90.0

	Details	($000's)
20.	Parking Enforcement Coordinator (1.0 Permanent FTE) - The responsibility for Parking Enforcement will be transferred from the RPS to the Licensing & Municipal Fines Branch of Community & Protective Services effective January 1, 2012. The addition of a City Administrative position would allow for at least one additional beat walker (Ticket issuer) to be on the street which would provide approximately $125,000 in revenue to the City of Regina per year. (On-going)	72.6
21.	Taxi Study Additional FTEs - (2.0 Permanent FTE). These additional resources will be responsible for enforcement and inspection functions in the industry as well as analysis of the trip data supplied by the brokerages. Please note,1.2 FTE is being funded through an increase in taxi licensing revenues and 0.8 FTE is being funded through reallocation of existing funds. (On-going)	60.0
22.	Chlorine - These funds are required to increase maintenance levels (regular equipment replacement and calibration) to a degree that provides an appropriate level of operational functionality and safety at our indoor and outdoor pools for staff and patrons. (On-going)	17.6
23.	Prince of Wales Library (Utilities) - The Regina Public Library (RPL) has constructed the new Prince of Wales (POW) Branch Library on the south gym wall of the Core Ritchie Community Centre. The power for their facility is run off of the City of Regina meter, so we will pay all utility costs to operate the facility and then will bill the Library to recover the actual costs. This expenditure if fully offset by increase in revenue. (On-going)	4.5
24.	Douglas Park (0.1 Permanent FTE) - Maintenance funding is required to support the Douglas Park/Leibel Field Upgrades project. This funding request is a result of the approval and construction of a capital project and is for the maintenance of Leibel field turf lights, fencing, goalposts, water and electrical supply, field perimeter, bollards, score clock and Ladies Softball Diamond lights at the Douglas Park complex. (On-going)	0.0
25.	Funding to commemorate the 100th anniversary of the 1912 Tornado. (One-Time)	7.0
26.	Community Services - Crime Prevention Initiative $2,000; Urban Aboriginal Leadership Program $35,000. (One-Time)	37.0
27.	Rambler Park Operation (0.21 Casual FTE). Rambler Park operation became part of the City's operations in 2011. The Administration is currently undertaking the Community Investment Review That review will look at the need for providing funding to support sport organizations who are maintaining a City asset. It is anticipated that Community Investment Review will be complete prior to the next budget cycle. Therefore, Administration is requesting operating funding for one additional year in 2012 to operate, schedule and maintain Rambler Park. (One-Time)	99.0
28.	Evraz Arena Agreement - The Regina Exhibition Association and the City of Regina developed a partnership to address aging infrastructure, provide exhibit space to promote Regina as a host of major events and to address the need for improved arena facilities. In 2010, the City of Regina and the Regina Exhibition Association developed a three year operating agreement that commits the City to purchasing 6000 hours per year. The agreement expires December 2012. In 2012, as per the Operating Agreement with REAL, the City will "purchase" 6,000 hours for a cost of $1,320,000 and the City will generate $1,020,000 in revenue for a net cost of $300,000.(One-Time)	1,320.0

Details		**($000's)**
29.	Humane Society Contract - Anticipated increase in the contract with the Regina Humane Society for the removal and kennelling of stray animals. (One-Time)	85.5
30.	Parking Study - The funds from this request will be used to engage a consultant to provide a framework and strategy as to how parking services in the City of Regina should be delivered. The results of this study will allow the City to develop efficient and effective policies for parking in the downtown and other areas of the City. (One-Time)	75.0
2012 Budget		38,007.5

Note:
Base request funding – represents an increase in cost necessary to maintain current service levels.
Addition request funding – represents expenditures that would be ongoing past the current budget year.
Special request funding – represents one-time expenditures for the current budget year.

Capital Investment Program

To achieve the City's Strategic Priorities the Community Planning & Development Division has estimated its total allocation of capital investments according to both Strategic Priority and functional Business Unit as follows:

Strategic Priority

				Budget Change	
Expenditures (000's)	2011 Budget	2011 Actual	**2012 Budget**	Dollar Change	Per Cent Change
Strengthen Infrastructure & Manage Assets	5,193.0	4,309.8	**10,890.0**	5,697.0	109.7
Ensure Organizational Capacity & Effectiveness	-	-	-	-	-
Manage Growth & Community Development	22,872.0	18,982.2	**8,579.2**	(14,292.8)	(62.5)
Achieve Operational Excellence	-	-	-	-	-
Total	28,065.0	23,292.0	**19,469.2**	(8,595.8)	(30.6)

Business Unit

				Budget Change	
Expenditures (000's)	2011 Budget	2011 Actual	**2012 Budget**	Dollar Change	Per Cent Change
Real Estate					
Land Development	2,800.0	353.0	**4,800.0**	2,000.0	71.4
Community Services					
Recreation Facility Plan	50.0	212.0	**3,200.0**	3,150.0	6,300.0
Recreation Facilities & Equipment	100.0	260.0	**240.0**	140.0	140.0
North Central Shared Facility	440.0	440.0	**500.0**	60.0	13.6
Planning & Sustainability					
City Centre Development	-	6,421.0	**350.0**	350.0	100.0
Official Community Plan	1,975.0	865.0	**1,329.2**	(645.8)	(32.7)
Development Engineering					
Roadway Network Improvements	22,700.0	14,741.0	**9,050.0**	(13,650.0)	(60.1)
Other Transportation Projects	-	-	-	-	-
Total	28,065.0	23,292.0	**19,469.2**	(8,595.8)	(30.6)

Summary of Capital Investments

Details		($000's)
1.	Land Development Projects - relate to the City's role in developing industrial land in Ross Industrial Park Phase II, North Argyle Land Development and other areas.	4,800.2
2.	Recreation Equipment and Furnishings - replacement, revitalization and sustainability of recreation equipment and furnishings at Recreation Facilities.	240.0
3.	Recreation Facility Plan - Athletic Fields/Sport Facilities Restoration, Repair and Upgrades.	125.0
4.	Multi-Use Pathway	2,900.0
5.	Recreation Facility Plan - Regent Par 3 Redevelopment	175.0
6.	North Central Shared Facility - for a detailed design of this new facility for construction in 2012 and 2013.	500.0
7.	North Central Shared Facility - for a detailed design of this new facility for construction in 2012 and 2013.	
8.	Official Community Plan - this project will result in a new Official Community Plan (OCP) for Regina, replacing the Regina Development Plan. The plan will define what kind of city Regina intend to become and will include a policy framework to guide how it will get there.	1,329.0
9.	City Centre Development - This includes a comprehensive review of traffic operations, traffic controls, transit needs and operations, parking, one-way conversions, and bike and pedestrian planning for all streets between Broad Street and Albert Street and Saskatchewan Drive and Victoria Avenue.	350.0
10.	Roadway Network Improvements & Other Transportation projects - consist of new road construction for locations approved as part of the Regina Road Network Plan. The majority of the locations are adjacent to new development areas and are partially funded by Servicing Agreement Fees.	9,050.0
2012 Budget		19,469.2

Costing Fund Budget Summary

Overview

The Costing Fund was established to account for operations that are not part of either the General Fund or the Water and Sewer Utility Fund. The Costing Fund includes:

- Real Estate, which carries out all real estate-related services for the City. This includes buying and leasing properties when required for City operations, selling or leasing City-owned properties, performing land development functions, selling properties taken through tax enforcement, and providing advice to all city departments on real estate issues.
- Facilities Management Services which includes the day-to-day operation and maintenance of City-owned facilities.
- Fleet Services, which includes management and maintenance for the City's civic fleet and management of Transit and Fire fleet assets, as well as Central Stores and the Fuel/Lube Centre, including the Natural Gas Vehicle Program.
- The Print Services and Computer Leasing operations in Information Technology Services. Print Services is an in-house print shop, with the objective of providing quality output in a timely and cost effective manner. This includes responsibility for output devices (copiers, multi-functional and networked printers) and desktop computers.
- Roadways Operations – provides for the maintenance and repair of roadway and sidewalk cuts made by the City's Water and Sewer Services. The costs of the repairs are charged to the Water and Sewer Utility Budget.
- Granular Materials Supply and Asphalt Plant Operations – purchases, inventories and processes granular materials, soils and other landscape products and recycled materials such as steel slag, crushed concrete and crushed asphalt. The Asphalt Plant produces a variety of asphalt mixes for paving, cut repair and patching.
- Open Space Landscape – this operation provides landscape services, with the costs charged to operating or capital budgets within Community Services and other Departments, or in some instances to external organizations.

Pursuant to the policy and a bylaw adopted by City Council, the net revenue generated by real estate transactions is transferred to the Land Development Reserve. The Land Development Reserve is the source of funds for acquisition of land for land development projects as well as funds for land development project costs.

For other operations in the Costing Fund, the purpose of the costing fund is to function as a cost distribution mechanism. All of the costs are allocated to other operating and/or capital budgets.

Costing Fund Summary ($000's)

				Budget Change	
Expenditures	2011 Budget	2011 Actual	**2012 Budget**	Dollar Change	Per Cent Change
Corporate Services:					
Fleet Services[1]	17,518.3	18,598.2	**26,475.3**	8,957.0	51.1
Facilities Costs - Fleet Services	474.1	411.2	**474.6**	0.5	0.1
Total Fleet Services Costs	17,992.4	19,009.4	**26,949.9**	8,957.5	49.8
Information Systems	1,516.8	1,467.7	**1,458.1**	(58.7)	(3.9)
Facilities & Energy Management	4,477.2	4,522.7	**4,619.8**	142.6	3.2
Total Corporate Services	23,986.4	24,999.8	**33,027.8**	9,041.4	37.7
City Operations:					
Granular Material & Asphalt Plant	6,599.9	6,801.8	**6,794.8**	194.9	3.0
Facilities Costs - Granular Material & Asphalt Plant	43.7	39.6	**43.9**	0.2	0.5
Total Granular Material & Asphalt Plant	6,643.6	6,841.4	**6,838.7**	195.1	2.9
Roadway Operations	1,367.8	1,717.3	**1,287.5**	(80.3)	(5.9)
Connection Maint. and Repair	-	319.5	-	-	-
Open Space - Landscape	1,480.4	2,247.1	**1,147.2**	(333.2)	(22.5)
Total City Operations	9,491.8	11,125.3	**9,273.4**	(218.4)	(2.3)
Community Planning & Development					
Real Estate	2,948.6	10,718.9	**2,980.0**	31.4	1.1
Facilities Costs - Real Estate	1,223.7	1,299.1	**1,192.5**	(31.2)	(2.5)
Total Planning & Development	4,172.3	12,018.0	**4,172.5**	0.2	0.0
Costing Fund Total Expenditures	37,650.5	48,143.1	**46,473.7**	8,823.2	23.4

Note:

1. *As part of the City's Fleet Centralization program, $2,472,300 in salaries and benefits and $4,640,100 in materials, goods and supplies were moved to the Fleet Services budget.*

				Budget Change	
Revenues	2011 Budget	2011 Actual	**2012 Budget**	Dollar Change	Per Cent Change
EXTERNAL REVENUE					
Corporate Services:					
Fleet Services					
Claims Revenue	-	17.3	**97.2**	97.2	100.0
Natural Gas	9.0	3.9	**9.0**	-	-
Other	-	10.5	-	-	-
Total Fleet Services	9.0	31.7	**106.2**	97.2	1,080.0
Information Services - Misc Printing	1.0	(0.2)	**1.0**	-	-
Facilities - Claims Revenue	-	3.2	-		
Total Corporate Services	10.0	34.7	**107.2**	97.2	972.0
City Operations:					
Granular Material & Asphalt Plant					
Pavement & Concrete Cuts	219.1	1.0	**219.1**	-	-
Roadway Operations					
Asphalt Revenue	148.5	355.1	**148.5**	-	-
Miscellaneous	43.1	145.5	**43.1**	-	-
Total Roadway Operations	191.6	500.6	**191.6**	-	-
Total City Operations	410.7	501.6	**410.7**	-	-
Community Planning & Development					
Real Estate					
Land Sales	3,000.0	9,770.0	**3,000.0**	-	-
Facility Rental	1,074.5	2,078.5	**1,074.5**	-	-
Farm Land Rental	93.0	75.8	**93.0**	-	-
Interest	5.0	87.1	**5.0**	-	-
Total Planning & Development	4,172.5	12,011.4	**4,172.5**	-	-
TOTAL EXTERNAL REVENUE	4,593.2	12,547.7	**4,690.4**	97.2	2.1
INTERNAL COST ALLOCATIONS					
Fleet Services[1]	17,983.6	19,151.8	**26,843.7**	8,860.1	100.0
Information Services	1,515.8	1,467.9	**1,457.1**	(58.7)	(3.9)
Facilities and Energy Management	4,476.8	4,519.6	**4,619.8**	143.0	3.2
Granular Material & Asphalt Plant	1,148.4	1,716.2	**1,068.4**	(80.0)	(7.0)
Roadway Operations	6,452.4	6,340.8	**6,647.1**	194.7	3.0
Connection Maintenance & Repair	-	319.5	-	-	-
Lease Management	-	6.6	-	-	-
Parks and Open Space	1,480.3	2,247.1	**1,447.2**	(33.1)	(2.2)
TOTAL INTERNAL COST ALLOCATIONS	33,057.3	35,769.5	**42,083.3**	9,026.0	27.3
Total Costing Fund	37,650.5	48,317.2	**46,773.7**	9,123.2	24.2

Note:

1. As part of the City's Fleet Centralization program, $2,472,300 in salaries and benefits and $4,640,100 in materials, goods and supplies were moved to the Fleet Services budget.

This page left blank intentionally.